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The Washington Monthly

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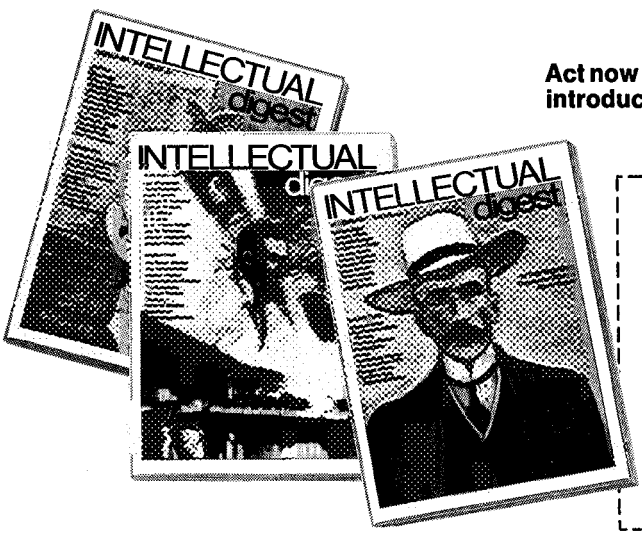

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Letters

Prisoners of War

May I commend Taylor Branch for his excellent article in your August issue, "Prisoners of War–Prisoners of Peace."

He is a most perceptive young man. His portrayal brought forth all the frustration, emotionalism, hopelessness and utter despair that is wrought by this tragic situation. Few have the capacity to perceive or understand it.

LOUISE M. MULLIGAN
Virginia Beach, Va.

Louise Mulligan is the wife of Captain J. A. Mulligan, Jr., a POW in North Vietnam.

Who Needs the Shuttle?

In concluding his article, "The Space Shuttle. Who Needs It?" (September 1972), Congressman Les Aspin remarks that "It is Congress' job not only to control [NASA's] overzealous selling to the public, but also to make sure it isn't taken in by the agency's own puffery." Yet he spends so much time expressing shock at NASA's alleged public relations crimes that he fails to establish that the agency's arguments for the shuttle are so much "puffery."

The methods by which Aspin derives a grand total of at least $32.5 billion in shuttle-related costs through the 1980s are largely spurious. In the first place, though he does not say so in this article, he assumes that any possible shuttle savings are contingent upon the shuttle taking a full load (up to 65,000 pounds) into orbit on every trip. But neither NASA, its contractors, nor its economic consultants have ever made such an assumption. In the second place, Mr. Aspin naively applies "NASA's conservative estimate of $1,000 per pound" of "payload cost" to his inflated estimate of 20 million pounds of payload to get $20 billion in total payload costs through the next decade. NASA's $1,000 per pound applies to the costs of designing, manufacturing, and testing *satellites*. But as often as not the bulk of the pounds "orbited" by the shuttle will be relatively massive rockets designed to take a satellite from the shuttle's low orbit of a few hundred miles to geosynchronous, or stationary, orbit 22,300 miles above the earth. The $1,000 figure referred to by Mr. Aspin is irrelevant, then, to much of what is called "payload."

W. CRAIG HOWELL
Washington, D. C.

The editor replies:

Part of the difficulty in pinning down shuttle costs is NASA's own uncertainty. In the last year, as Congress has grown more dubious, NASA's estimates have miraculously shrunk by almost half.

To answer Mr. Howell's points: first, if the shuttles are not going up full, why do we

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need them at all—or need them at the 50-launch-per-year rate now predicted? Second, Mr. Howell is correct in saying that the $1,000-per-pound payload cost may be too high. But if the payload cost turns out to be cheaper than we estimated, the saving will be the kind you get on cut-rate SST tires: worthwhile if you believe in the whole package.

The Big Brother Computer

If it's any comfort to Michael Sorkin—"The FBI's Big Brother Computer" [September]—the system he describes will almost certainly break down if it is as wildly out of control as he says. Put strictly, he says there will be no control over content, structure, accuracy, access or size of the FBI's data base. That is a data processing disaster; as each of these problems is aggravated, the possibility of merely keeping the system going vanishes.

Processing expense is determined by the size and complexity of the data base. With data of uncontrolled and widely diverse form and design—distilling useful results becomes much more complex, error prone, and time consuming. It moves into the impossible when the data base becomes extremely large. Consider how much data each of us generates in a year—10 years—and remember that the attempt here is to capture as much of that as possible. Multiply that by 100 million—conservative considering it's less than one-half of the population. With terminals in 95 per cent of the nation's police stations alone, the number of inquiries and inputs that will have to be processed daily will be immense and will require a considerable communication network. At least it will be very expensive, *very expensive*.

Whatever comfort can be derived from these considerations will, of necessity, be short-lived. A bad experience with the lack of control and bad design of the data base will start a slow but ultimately successful drive to rid the system of at least the most outrageous stupidities. So, in the necessarily upcoming hiatus, it will behoove us all to start protecting our rights against misuse of the next FBI system, which may well work. In the meantime, we'll get some useful publicity from the crash of the FBI's system.

A final consideration. This letter will be communicated to a small set of "terminals" through a set of media (print and the mails) slow for our age. Electronic data, as in the FBI's system, can be propagated at close to the speed of light and, in principle, to any number of terminals. We'll have to make use of technological advances like computers in order to control technological advances in their impact on us. Conceptually, this is the principle of feedback in cybernetics—using a device's own energy to control that device, but realistically, the way we have reacted to technological change sometimes looks more like grabbing the tiger's tail—the feeling of control we have may be only an illusion.

EDWARD J. WALSH
University City, Mo.

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You Can't Buy Safety At the Company Store

by Davitt McAteer

Every mine disaster in America is followed by an appeal to Fate by the mourning coal companies. The idea that death in the mines is unavoidable has grown with each further explosion, until now the miners who die are put to rest like whalers swallowed by the sea. Their loss is grieved, but the industry's innocence is accepted—accepted because coal mining is such a dangerous job, because hacking so close to nature with picks and shovels can only bring reprisals as nature takes back her tithe in men.

For an industry that has so triumphed over geology and government—pummeling its machines into the earth's seams and getting off with minerals at will—this periodic appeal to helplessness is somewhat uncharacteristic. But it is useful to the men who run the companies. After a faulty dam broke over Buffalo Creek in West Virginia last year, washing away an entire valley and over a hundred people, a spokesman for the Pittston company which built the dam called it "an act of God." Similar religious dramas are played out for more than 200 dead miners each year, and paradoxically, each disaster caused by faulty equipment or lax safety measures makes it harder for people to believe that safety measures would do any good. Since the 1970 Coal Mine

Davitt McAteer adapted this article from a report he did for the Center for the Study of Responsive Law.

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Health and Safety Act was adopted, the number of fatalities each year has actually risen.

Passing the buck to Fate is made easier because there is nothing in this country that equals the dangers of coal mining. But there is one comparison that can be made. Miners put on the same overalls, wipe off the same coal dust, and crawl down the same holes in China, Poland, Russia, Australia, Canada, England, and Germany. Fewer of them die in those countries. The difference lies in safety precautions routinely carried on in Europe that could be adopted here. The fact that they haven't been points to more elemental differences. These have to do with philosophy, with the value of men as weighed against the value of coal, and with how much risk men are allowed to take when they enter the mines.

While each country uses its own method of calculating injuries and fatalities, the comparisons that can be made indicate that American mines are far more dangerous than European mines. In the U. S., the fatality rate per million man-hours during the 1965-69 period was more than twice that of the European Economic Community. It was more than three times the individual rates for Britain, Poland, and Czechoslovakia.

If there is any difference in the mines themselves, it is that the European ones are generally several thousand feet deep, while American mines are only a few hundred feet below the surface. Generally, the deeper the mine, the more risky it becomes to remove the coal, and the harder it is to pump out the deadly methane gas, to get fresh air to the miners, and to guard against cave-ins. All things being equal, the miner in a deep mine has less chance of survival than the miner in a shallow mine.

European miners have to dig farther because they have exhausted the thick seams near the surface. American coal companies have not fully exploited the richer, shallower, safer fields. But since we have already produced a worse fatality record in mines that are inherently less dangerous, one wonders whether American mine disasters and deaths won't triple or quadruple by the time our shafts reach the depths of those in Europe.

Like the inside of the American and European mines, the goals of the people who run them are not that far apart. The hunger for coal is just as great in Europe as it is in America, and the companies are just as anxious to push production. European mines are hardly a workers' paradise, and they don't stop churning just because some men get killed. The point is that even a few steps that are actually palatable to production-happy coal owners can substantially lessen the pain and risk of coal mining, and presumably could be instituted here with similar lack of damage to the industry itself. Because the situations are similar, the comparison seems to shatter the two main arguments of the American companies—that worthwhile safety measures are financially or technically out of reach and that disasters are beyond man's control.

Marx as Coal King

Almost all European mines extract coal through the Longwall method—as opposed to the room-and-pillar technique of American mines. The Longwall machine is like a large lathe, a sharp blade moving across the face of the coal, slicing it off in big chunks and causing it to fall onto a series of conveyor belts that carry it from the mine. The machine stretches across a wide expanse of the coal seam and is pushed forward automatically by a series of hydraulic jacks. As the Longwall lathe cuts through the coal, the area just behind it either collapses or is filled with excess rock. This filling process decreases the geological stress on the unmined area, and makes cave-ins less likely. In the room-and-pillar method, coal removal is incomplete, and gaps are not filled in, causing more pressure and increasing the chance that the mine will collapse.

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". . . The miner is trapped in the shaft, injured and blamed for accepting the injury, sometimes even blamed for causing it. . . "

Longwall mining has several other advantages. The coal recovery rate is between 80 and 95 per cent, as compared with a 45-65 percent rate for room-and-pillar. Most important, the biggest single killer in the mines—roof falls—is virtually eliminated by the metal canopies that form the top of the hydraulic jacks and provide cover for the men. Longwall also reduces the size of the mining area, makes for easier ventilation, controls dust more effectively, and cuts down on the number of workers needed underground.

While most European mines use this method, only 2.1 percent of U. S. coal was produced by Longwall in 1970, and less than three per cent in 1971. The American companies give several reasons for their refusal to adopt Longwall. The first one, predictably, is cost. The shift to the new machines would mean a large investment, and perhaps even financial losses in the short run. The European companies, since they are state-owned, do not have to worry about this year's stockholders meeting. The second is that Longwall is not as efficient from a production standpoint—it moves more slowly through the coal seams and also wastes time mining overlying rock when the seams narrow and pinch out. The third is that Longwall is most effective in great blocks of uninterrupted coal, whereas the U. S. mines have generally been fragmented by mixed ownership, and oil or gas wells are often entwined with the coal.

All these disadvantages are real, but the fact that industry chooses to emphasize them says a lot about industry. (The disadvantages of several hundred deaths are real as well.) The same corporate executive who seems so full of mysticism and Greek mythology after a mine explosion sounds so much like an economist in explaining, pre-disaster, why he can't afford to prevent the next one. Nobody is more like Marx than a capitalist under attack for his shoddy business prac-

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tices. His appeal to the inevitability of the balance sheet, to the impossibility of reforms under our present system, to the strait-jacket of the stockholder-profit cycle that traps him—it is a dialectic that takes matters out of his own hands. After all, isn't the pressure that forces coal companies to skrimp on safety the same one that makes car companies slap on crunchable bumpers, or cattlemen pump their meat full of fattening poisons?

From Shark to Dinosaur

There is some truth to the financial argument as applied to Longwall. The machines do cost money, even though the short-term investment could be passed along to the consumer and even though Longwall could get more coal out of the mines, a potential profit over time. The American industry does have to worry about profits, even though it already makes far more than its European counterpart and its workers are more than twice as productive per man. By deciding against Longwall, the American companies have determined that quick, inefficient production is better than slower, less-wasteful production. It has also decided that a few hundred lives every year or so are not worth the price tag of converting to the Longwall system.

Such calculations are, in a way, flattering to the American coal king. To him, rejecting the Longwall method is an intelligent, rational choice—corporate health over the health of a few miners—and it is a choice that he feels is almost decided for him by the pressures of profit. Longwall might make more money over the long run, but it is still a risk proposition, and his company is not set up to think about the long run. He doesn't decide to save some lives by using Longwall, the coal king concludes, not because he is immoral or insane, but because the best interests of the industry won't permit it.

But other innovations in the European mines, unlike Longwall, cost next to nothing, and a few of them have resulted in increased profits for the companies. The reasons they have not been adopted seem to uncover, not a sharky school of sleek, cold capitalists, but a hovel of drug-addled coal dinosaurs, waiting out the Ice Age in blind stupor, thrashing clumsily around the coal pits, unable to see things that would work for their own good.

For instance, every European coal producer practices outgassing of mines, in which the deadly methane gas (the single biggest cause of explosions in the U. S. coal industry) is captured, sucked out, refined, and sold for commercial heating or cooking. The method is rather simple. Rubber tubing is forced into the coal face, or placed near the work areas, and the tubes transport the gas to the refining plant. Economically, the outgassing has proved so successful that the West German government is looking into ways to return to old, abandoned mines and draw off the accumulated gas.

The American Way

In the United States, methane is either ventilated into the air or left in the mine to explode. In Farmington, West Virginia, methane and a single spark cost 78 miners their lives in 1968. This yearly sacrifice goes back through the century—in West Frankfort, Illinois, a methane explosion killed 119 men in 1951—yet there is only one outgassing venture in the entire country, an experimental process by Bethlehem Steel. The Bureau of Mines has only recently given the Consolidation Coal Company a $200,000 grant to study outgassing. Meanwhile, the European companies continue to protect their men from methane, and their compassion is amply rewarded with high profits from marketing the gas.

Miners in West Germany, Poland, and England are additionally shielded from gas explosions by sophisticated monitoring systems. The Polish Jan mine, now two years old, is the first

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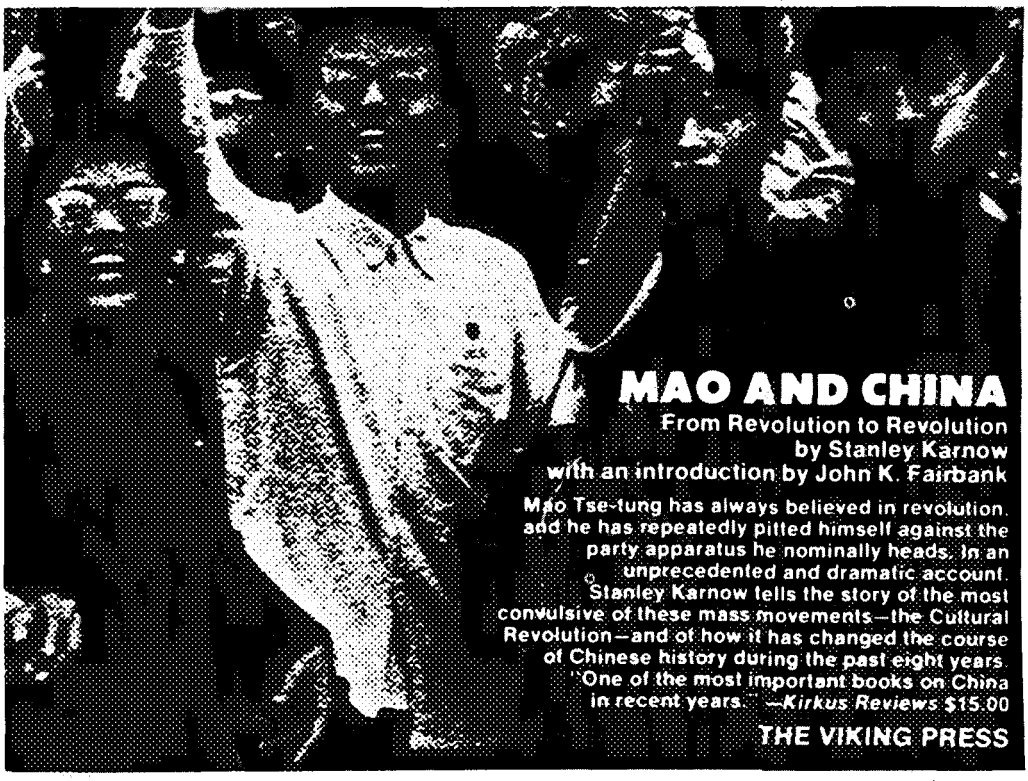
completely computerized coal operation. Some 150 sensors have been installed in the mine to detect gas levels and other conditions, and transmit them to a central data bank and then onto a wall map. If a hazard develops, each miner is alerted through a bleeper device that he carries. The bleeper summons him to one of the telephones located throughout the mine, where he can contact officials above ground or miners in another part of the shaft. He is told where the danger is, and where and how he can avoid it.

The British mine at Stoke-on-Trent, Europe's deepest mine, has installed a similar computer system and control room. One large computer is used exclusively for monitoring methane levels. If the gas reaches emergency proportions, warnings flash on the maps and sirens are set off in the endangered sections. The men automatically evacuate the area and remain out until an all-clear signal is sounded.

Moving from some of these new European mines into the American ones is a startling leap into the past. In America the coal itself is occasionally touched by the 20th century, but the miner, in many ways, remains in the 19th, or perhaps the 18th. Instead of computer maps and sensors, the flicker of a safety-lamp or the hand-operated methane monitor is the only way to guess the level of methane gas. Once danger is discovered, there may be a few scattered telephones to get the word out. In two recent mine explosions—the Sunshine Silver Mine in Idaho, where 91 men were killed, and the one in Blacksville, West Virginia, where nine men lost their lives—there was no communication after a matter of minutes. The telephone lines burned through and no back-up system existed.

Compared to the coal computer centers, American mines could be called old-fashioned in safety matters, except for the fact that they have not even adopted the antiquated methods



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of avoiding injury and accidents. The dust mask, for instance, has been around for decades. It is a relatively simple, inexpensive device that blocks coal dust and other particles from being inhaled into the lungs. But the West German government ran tests of the masks of all countries and found those used in the U. S. unacceptable under German law because of their low dust retention and high resistance levels that make it impossible to talk and hard to breathe.

A Fiery Tornado

There are, in addition, tested methods of preventing coal dust particles from exploding. In a suspended state the dust is nearly as volatile as methane. Any spark can send a wall of dust flaming through the underground tunnels with the force of a bullet.

After the original methane explosion, coal-dust fires ripped through seven miles of underground tunnels at Farmington, West Virginia, in 1968. Nine separate explosions rocked the earth as the fires shot back and forth through the desolate shafts, killing 78 miners. Once such fires get going in American mines, there is no way to stop them, except by cutting off all oxygen to the mine. The choice is death by immolation or by suffocation.

Powdered limestone, called rock dust, is used in every country, including the U. S., to render coal dust inert. Rock dust is applied to the walls and floors of all mines, but the Americans and Europeans differ in the proportion of rock dust to coal dust considered necessary to avoid explosions. American regulations require 65 per cent limestone, while the British standard is 75 per cent and the Polish is 80 per cent. Dr. Waclaw Cybulski, director of a Polish mine safety institute, showed me a ferocious coal-dust explosion where the rock dust content was 62.5 per cent. He said that other experiments demonstrate that explosions can sometimes be propagated at 65-percent limestone, a level that U. S. regulations require. At the 80-percent standard, no explosions can occur. The American standard is probably sufficient in most cases, he said, but not all. In terms of time and money, the difference between 65 and 80 per cent rock dust is insignificant, but the American companies feel the extra margin of safety provided at the 80-percent level is not worth the trouble.

In addition to more thorough dusting, the Europeans use rock-dust barriers as a secondary line of defense against spreading fires. These barriers are simple platforms hung from the roof of the mine tunnel at various locations, with boxes of water or rock dust heaped on top. The platforms will tip over if a strong shock of air is thrust against a suspended rudder, dropping a blanket of rock dust and water to stop the fire or explosion from spreading through the mine.

This platform method is decades old, but it has been rejected by government and mine officials in the U. S. as being ineffective. It is, however, certainly more effective than nothing. As Dr. Cybulski says, "It may not be necessarily successful every time, but if it stops one fire and saves one life, it's worth it." He believes that the "Farmington disaster could likely have been prevented by the use of limestone or water barriers as used in our coal mines."

American operators have also argued against barriers because they work through mines much faster than the Europeans, and therefore it would be necessary to build barriers almost constantly. The Polish officials countered that in their mines it takes two men only a single shift to install a set of barriers—and these are effective for months; in our mines they would be effective for weeks.

The other excuse is that some American mines have very low seams and are too narrow to permit barriers, which would block the passageways. This argument is unconvincing for two reasons. First, U. S. companies do not mine thin seams of coal like most

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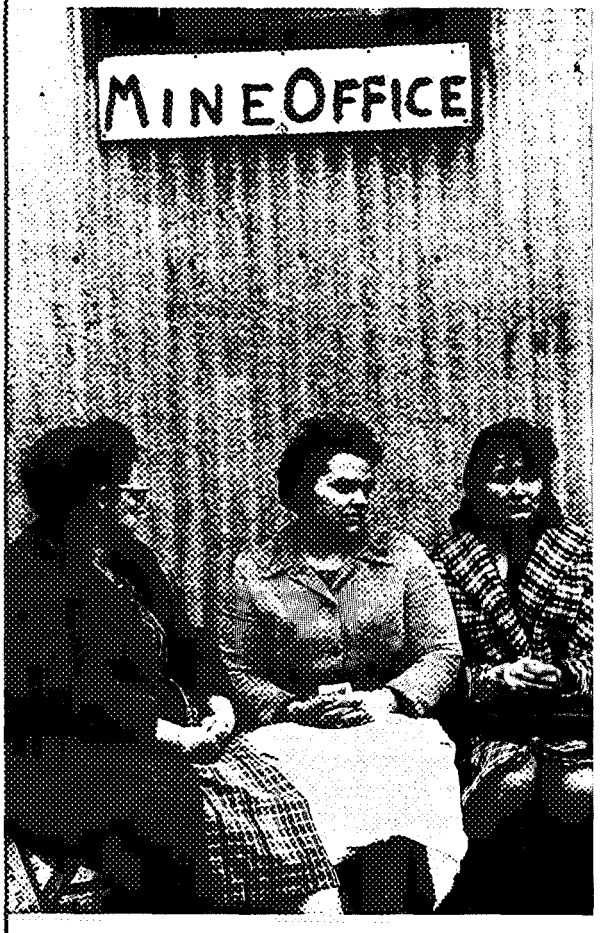

"... which in turn reduces the sense of loss that one feels when he is killed..."

European operators. Second, the Polish mines have staggered the barrier placement to allow passage as well as protection.

Dust in the Quota

Besides rock dusting, it is also possible to contain coal dust by wetting it, either injecting water into the coal seam (water infusion), or spraying the surface of the mine. Every European country uses water infusion extensively, and in West Germany it is required by law. In the U. S., however, this well-tested method is only being utilized in a few mines on an experimental basis. The reluctance seems to be that it slows production.

Water spraying, used in both U. S. and European mines, is less effective than water infusion, but nonetheless can be helpful. The reason the water is often not turned on in the U. S. mines tells a lot about the whole area of mine safety and what happens when regulations are taken underground, when the bother of adhering to a rule is weighed against the benefits of continuing production.

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Suppose that a cutting machine must be moved to a new area, and that the connecting hoses for the water sprays must be brought in from the surface. The foreman, with his quota of coal to produce, can either stop production until the hoses arrive, or go without them. The dangers of mining without them are not as apparent or as sudden as the dangers of not extracting enough coal. The chances of an explosion are increased by the large amounts of dust, but an explosion is still unlikely. The extra amount of dust put in the miners' lungs by the lack of spraying cannot be seen, and its effect on human health is gradual. So the foreman runs the machine, cutting ahead without water.

The mine superintendent, if he knew of the decision, would approve. The union safety committee might want to complain, but even so, its members aren't likely to get any help from the district or international officers when they are suspended from their jobs for griping about safety. Even if the complainers are not fired, they can be brought into line through subtle pressures like unpleasant job assignments.

The federal and state inspectors don't come around that often—three or four times a year, and they are not likely to catch the violations. Even if they do, they have little power to change the company patterns, and they have learned long ago that the fine they levy will merely be reduced or eliminated when the company lawyers get together with the hierarchy at the Bureau of Mines. Out of the $20 million in fines levied since the supposedly tough coal mine health and safety law was passed in 1970, only $3.2 million, or 17 per cent, has actually been collected.

So the coal is mined dry, the foreman and supervisor meet or exceed the production quotas, the union safety committee doesn't get into trouble, and the miners work one day closer to explosion, filling their lungs with one more day's worth of dust.

Underneath the value of all the fines and safety equipment, and measured against them, is the worth of the miner. His unenviable existence weighs down on one side of the balance—the value of what most people consider a life of drudgery set against the value of tons and dollars and time on the other side. Even the difficulty of his life is used against him, as are the explosions and disasters. If he has to accept such a job, it must mean that he isn't good for much else, which in turn reduces the sense of loss that one feels when he is killed. The drudgery of the job deprives it of any association with professional status—we wouldn't ask professionals to do such a thing—and the lack of that status fuels the indifference that permits the further drudgery, which in turn keeps the coal moving along the chute without interruption. The miner is trapped in the shaft, injured and blamed for accepting the injury, sometimes even blamed

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for causing it—much as a person thrown into a snake pit might be blamed for antagonizing the snakes and causing them to bite.

Closing the Barn Door

European miners are thought to be professionals—highly skilled technicians like carpenters or plumbers who happen to work at hard jobs. They are told that they deserve the best the country has to offer. This professional designation is more than a matter of status for the coal miner. In a U. S. Steel Company mill, a person who handles a difficult job gets additional "hot" pay or danger pay. Yet in the U. S. Steel Company coal mines, the men work in constant danger and receive no extra pay for the greater risk.

The difference in the treatment of miners is reflected in the whole ethic of safety in the U. S. and European mines. The U. S. companies can't embark on too many safety campaigns—concern for safety implies a miner's self-worth that the companies can't accept and still justify their present practices. So the real education in the mines is that there is nothing to worry about—or at least, that nothing can be done. The reminders are yellow signs that say "safety first" or "think safety," usually crumbled or covered with the same unwatered coal dust that may someday blow up the mine. The miner is not taught too much about his own safety because he might come to realize that the companies are already needlessly endangering his life. He also may tend to believe that part of the American ethic which associates safety with pacifism, unmanliness, and lack of courage. This belief is left unchallenged by the companies.

In Europe, training for safety adds both to the miner's skill and to his sense of self-worth. Most countries have elaborate programs, with apprenticeships that last up to three years. The American miner only remains an

"... perhaps coal deaths are ignored for simple, petty reasons..."

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apprentice from one to six months, and anybody who makes it through two years of work is considered an old hand.

The European safety-selling is elaborate in comparison with the U. S., but even it doesn't go so far that a miner will be too scared to accept the job. In Poland, according to Dr. Cybulski, every miner is given a demonstration of a methane explosion and a coal-dust explosion. "The miners are shown these explosions to they can know what to expect," he says. "But we don't show them these explosions before they are hired because none of them would come to work."

With its miniscule number of doctors, its moribund safety programs, and its adherence to a doctrine of fatalism, the American coal industry tends to view its medical responsibility as a mandate to pick up the pieces. Most of the pieces are left behind. Only one fully-equipped diagnostic clinic is open to miners in southern West Virginia, the heart of the bituminous industry, and in eastern Kentucky, no such facility is available. The hospital in Hyden, Kentucky, site of a 1970 disaster that cost 38 men their lives, is in a converted house, operating with outdated equipment under extremely adverse conditions.

The Polish government provides miners with free medical care and treatment, in addition to supplying recreation facilities and other fringe benefits. The British operate free medical centers throughout the coal fields, and the clinics available to miners in West Germany surpass anything offered to employees in other industries there.

Just as there is no idea of preventive safety in the American mine, and not many hospital beds if accidents do occur, there is no trace of preventive medicine, no sense of the relation between working conditions and actual ailments. The black lung disease is a crippler and often a killer that accompanies the coal dust, inhaled into the lungs over a long period of time. It has been recognized as a disease in Europe for years, but its existence was not officially noted in this country until 1969. Traditionally, in the U. S., coal dust was considered healthy. It was thought to purify the mountain air, as a charcoal filter does on a cigarette. But black lung has turned out to be deadly, and according to the Public Health Service, it affects one out of five miners in America.

Poland, Czechoslovakia, England, and West Germany have established work-rotation systems that remove men from the most injurious or dangerous jobs after fixed periods of time. This spreads the burden more fairly and reduces the possibility that a miner will contract black lung. The U. S. adopted a periodic medical-testing system for black lung in 1969, but a miner is given the option of changing jobs only after the disease shows up on his medical examinations. No attempt has been made to rotate jobs in advance, thereby helping the miner to avoid black lung in the first place.

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Picking Up the Pieces

While the precariousness of his job and his comparative lack of benefits is blamed on a general shortage of money, the American miner is told to put up with it because he takes home more pay than his European counterpart. The trick in this accounting is obvious—$39 a day is more salary than most European miners get, but it

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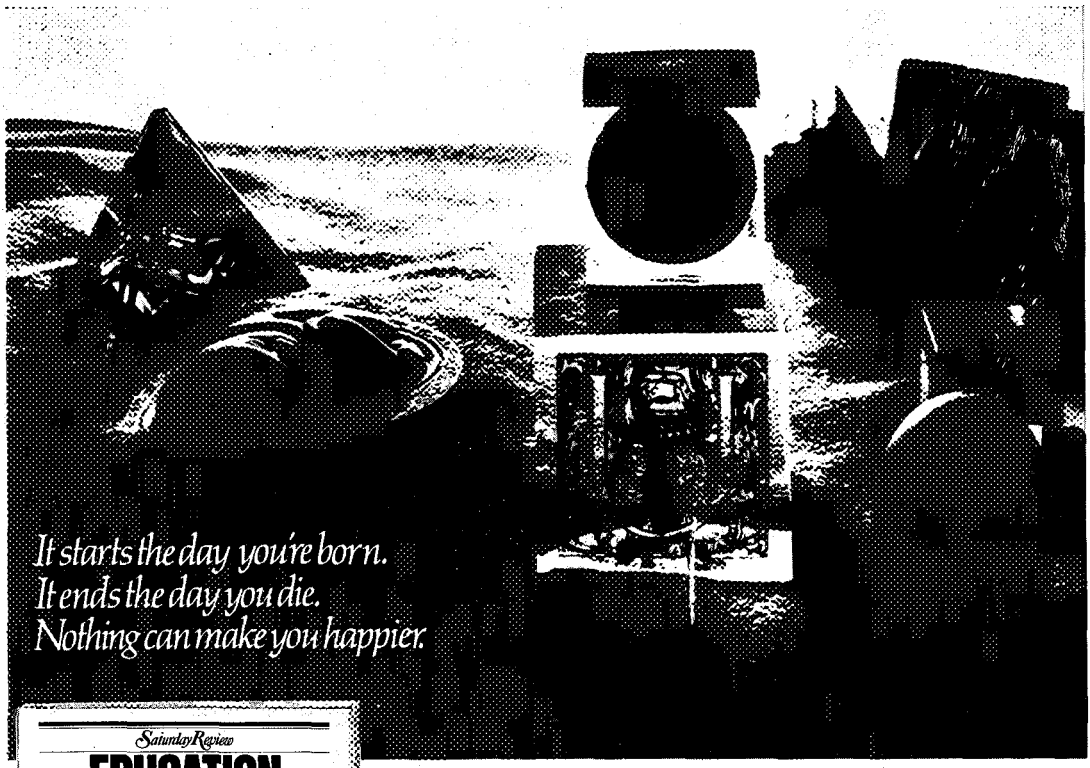

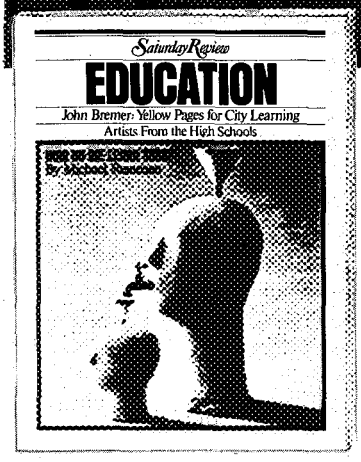

At least that's the way it should be. But, all too often, our love of learning is "educated" out of us by the time we get to Junior High.

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isn't enough to outweigh the value of all the services, plus the better chance to stay alive. If the benefits would cost the American companies less, you can be sure that in their genius for comparative advantage, they would have found a way to give more benefits instead of more salaries. (Even the paycheck superiority of the American miner is dwindling. In Poland the coal worker is now the highest paid of any industry. His 4397 zlotys go much farther than the American's $9-10,000.)

There is enough money around, though, for the Bureau of Mines people and the coal company people to take trips over to Poland, photograph the computers, chat with Dr. Cybulski, measure the Longwall machines, and report back to the companies on how the Europeans do it. These visitors are not Ethiopian farmers in Disneyland, wondering how the metal elephant squirts, but they must play this role, putting down all the pros and cons, the how of the thing, when they know well enough that the real question is why. Some of these U. S. investigators may feel edgy on these trips, perhaps a little sheepish, like hookers at a free orgy, but the uneasiness has nothing to do with technology—which they understand well enough—but with purposes.

Answers to last month's puzzle

The Coal-Mine Mirror

They do not put this in their reports, but it would be tempting to conclude that profit and human life are not always compatible, that capitalism costs lives—but this is not the whole story. It doesn't apply to those simple dust masks or the outgassing process or the shifting of people in dangerous jobs. It was a tempting conclusion in Vietnam, too, that the economic interests were fattening themselves on the war, a conclusion that one could periodically adopt when one needed a reason. The mine deaths are also more senseless than that, and they suggest another Vietnam analogy—that gooks of all races aren't worth keeping alive—but even that analogy seems contrived, rhetorical, a formula. There's too much bullshit in these words—they clash with the easy way we can say them—and they don't get us to the end of the coal mine tragedy.

The visiting investigators also don't write about how they can come back from those official trips and accept the continuing killing, or how officials stick around the Bureau of Mines or the coal companies knowing what could be done and what isn't being done, and that should be part of their reports. Or, perhaps coal deaths are ignored for simple, petty reasons, reasons you don't have to go to Europe to discover, reasons like the ones that potential supporters of George McGovern give for so quickly abandoning his candidacy while the war he would end continues. The question of why the miners are killed cannot be separated from why we let them die, and in both cases, it won't be answered by looking at Longwall machines. ■

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WE HAVE RECEIVED A NUMBER OF INQUIRIES CONCERNING THE METHOD TO BE USED IN REPLACING THE ERRONEOUS COVERS ON THE MULTI-DISTRICT AGREEMENT. WE SUGGEST THAT THE FRONT COVER BE REMOVED AND THAT THE NEW REPLACEMENT COVER BE STAPLED ALONG THE LEFT HAND EDGE. THE USE OF THREE STAPLES APPEARS TO BE ADEQUATE. THANK YOU FOR YOUR COOPERATION.

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Picking Up the TAB

by James Fallows

Watching the performance of politicians and the press, the average man might be tempted to conclude that welfare reform is the issue no one wants to touch. Hasn't President Nixon abandoned his Family Assistance Plan, brushing off the crocodile tears as Congress refuses to pass it? Hasn't George McGovern found his $1,000-per-person grant a bigger handicap than Eagleton?

The problem with both proposals is that they would help the poor at a time when that is going out of fashion. The sponsors of another plan—H.R. 13366, now sneaking through Congress—did not make the same mistake. Realizing that for the big corporations—especially those that can rub the honest Jeffersonian dirt of agriculture over their big-business image—welfare prospects have rarely been better, backers of the Cyclamate Indemnification Bill would reform the welfare system by adding the big companies to the dole. At a cost of up to $500 million, the bill would pay off companies stuck with outlawed goods when cyclamate sweeteners were banned three years ago. The bill is looking weak now, and its sponsors at Coca-Cola and the National Canners Association are starting to sweat. But the same twisted alliance—between right and left, canners and farmers, Republicans and Democrats, united in a quest for federal money—that has moved the bill this far may still win. The ground it has already covered shows how far the welfare ethic has extended up and down the economic structure.

Although the bill's immediate history begins on October 18, 1969—when the Food and Drug Administration announced that cyclamates had caused cancer in laboratory animals, and must therefore be removed from the food supply—we must begin several decades earlier to understand the implications.

In 1937, a chemistry student at the University of Illinois, Michael Sveda, laid his cigarette down on a laboratory bench. When he picked it up, it tasted sweet. Thus was revealed the sweetening power of an artificial chemical—

James Fallows is an editor of The Washington Monthly.

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cyclohexylsulphamic acid. In its more familiar forms as calcium and sodium cyclamate, this substance was to bring no-calorie ingestion to millions of soft-drinkers (although, as evidence would show, it brought slenderness to few), a billion-dollar business to the food industry, and difficult regulatory problems to the federal government. This large-scale commercial growth did not begin until the 1950s, after Abbott Laboratories, soon to become the biggest producer of bulk cyclamate, got FDA approval in 1951 to market a low-calorie sweetener called Sucaryl.

The legal ruling in the Sucaryl approval is an important prelude to the next two decades of cyclamate use. Although FDA commissioners later said that Abbott's data on cyclamates was "very weak," the substance seemed wonderful as an aid to diabetics and seriously obese patients. To emphasize this special, medicinal use for cyclamates, the FDA approved Sucaryl as a "non-nutritive, artificial sweetener which should be used *only by persons who must restrict their intake of ordinary sweets.*" The italics here are mine, but over the next few years the FDA made it clear that they placed special emphasis on the limiting phrase.

The food industry did not. Late in the fifties, food and chemical companies pushed cyclamates through the major commercial transformation that would eventually lead to the FDA ban. Instead of remaining as restricted, limited-use, drug-like concoctions for the ill, cyclamates became highly publicized, highly profitable items for mass-use food products. As one form of gastric indulgence which (it seemed) left no bad aftereffects, cyclamates tapped some unsuspected vein of response in the public. By the late sixties, cyclamates were turning up not only in soft drinks (Tab, Fresca, Diet-Pepsi, et al., which were being consumed at a rate of 600-800 million bottles a year by 1968) and soft-drink mixes (pre-sweetened Kool-Aid, advertised on children's TV shows by Bugs Bunny), but also in a wide range of other foods: diet jams and jellies, maple syrups, and salad dressings; artificially sweetened canned fruits; and lo-cal candies. More

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ominously, they appeared in many products not advertised as "dietetic." Because cyclamates were cheaper than sugar and more easily dissolved in water, they became a normal ingredient in products ranging from canned tomatoes to soups to children's chewable vitamins to specially sweetened cough syrups. When it was all over and some people were congratulating themselves for having avoided diet drinks, they rarely knew that the meals they had eaten every day were likely to contain some cyclamated ingredients.

The commercial meaning of this was a rise in cyclamate consumption from five million pounds in the early sixties, to 17 million in 1968 and a predicted level of 20-21 million in 1970. The total diet-food industry was turning over roughly $1 billion annually, and it included companies ranging in size from Coca-Cola, General Foods, and Abbott at the top to small fruit growers at the bottom.

The theoretical legal sanction for this massive new production was FDA's publication, in 1958, of the GRAS ("grass") list. Several years earlier, Congress had grown concerned about the rising number of additives in food and the FDA's relatively weak standards for testing the additives. A new law required the FDA to test the additives, except for certain items which were "Generally Recognized As Safe" (GRAS). The thousand-odd products on the GRAS list included obviously innocuous ingredients like salt, thyme, cinnamon, and alfalfa, as well as several hundred chemical additives. The standard linking the items together was that there was no evidence that any of them was unsafe. Because of this curious premise—which relied on the lack of evident hazards rather than any proof of safety—the list was not intended as a guarantee of approved or safe items. Indeed, as the years passed, several ingredients, such as brominated vegetable oils, were removed when new evidence turned up. But cyclamates remained on the list. They had originally been included after the FDA asked 900 scientists whether they knew of any bad effects of the chemical and the 355 who answered said no. In light of what happened later, the question—and the whole GRAS rationale—looks like it should have been reversed, placing the burden on the manufacturer to prove safety.

Even while including cyclamates on the GRAS list, however, the FDA was not at all happy to see the commercial mushrooming of cyclamates. In 1962, when the food industry announced its grandiose plans for diet products at a Food Law Institute meeting in Washington, the FDA appeared shocked and repeated its warning that cyclamates should not go on the mass market. In the next few years, the suspicions behind that warning were bolstered by more specific evidence. Laboratory findings were not conclusive, but there were signs that cyclamates might cause birth defects, or affect digestion, or cause cancer. In 1966, a new hazard popped up; scientists found that in some cases, cyclamates were metabolized into the highly poisonous chemical CHA (cyclohexylamine). A year later, the World Health Organization reviewed the evidence and warned that cyclamate consumption should be restricted. The FDA, the National Academy of Sciences, and the National Research Council echoed the warnings.

Finally, in 1968, the roof began to fall in on cyclamates. Two FDA researchers, Drs. Marvin Legator and Jacqueline Verrett, found more alarming dangers. Legator found that cyclamates could cause chromosome breakage, and Verrett, looking at chicks from cyclamated hens, found birth defects like those of thalidomide. The National Academy of Sciences, making yet another study, emphasized that "totally unrestricted use of cyclamates [i.e., what was going on] is not warranted at this time." Near the end of 1968, the FDA proposed specific consumption limits for cyclamates—roughly equal to one or two soft

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drinks per day for a child. In April, an official notice appeared in the *Federal Register*, requiring all cyclamated products to have labels saying how much was included.

So far, the stuff was still legal. But to anyone familiar with the mechanics of FDA regulation, all the machinery was warming up for some more drastic restriction of cyclamate use. Before that happened, however, a more dramatic event intruded. In October, 1969, Abbott researchers found that the old speculations that cyclamates could cause cancer were true; lab rats had definitely developed bladder cancer. Abbott reported the results to FDA, which then applied the "Delaney amendment" (a clause outlawing any additive shown to cause cancer in animals) and immediately banned cyclamates. As a partial sop to the industry, FDA said that the cyclamated food could remain on sale for several more months, and cyclamates might even be sold as a drug after that. Finally, in August, 1970, even worse evidence convinced the FDA and the Department of Health, Education, and Welfare to remove all cyclamates from the market.

The ban may have caused alarm among the 20-40 million people who, statistically, were eating or drinking cyclamates that day—and it may have caused sighs among those who valued their slimness over what looked like an improbable hazard, but it caused more upset than that in the industry. Abbott, whose cyclamate sales were worth $13 million the year before the ban ($3.8 million for bulk cyclamate and $9.1 for Sucaryl), had to wind up its operation within weeks; soft-drink companies were stuck with large inventories of diet drinks, and warehouses full of bottles, cans, and cartons marked with the now-unsaleable word "cyclamate." Initial estimates of the loss, according to Robert Finch, then Secretary of HEW, were between $250 and $500 million.

Some companies found ways to cut the loss. With government approval, some fruit canners sold their wares in Taiwan, South America, and elsewhere. Coca-Cola and Pepsi had non-cyclamate drinks on the market within weeks, since they had prepared them a year in advance. And all the companies had memories of a decade of profits (Abbott's share was an estimated $8 million) to soften the blow.

Poster Children

Still. . . there was that nagging doubt, that feeling that things could be even softer, that hunch that there must be a way to make the government pay for it. This spirit of Lockheed, widespread even before the Lockheed bill, animated the industry's search for a loophole.

If the big companies had been the only losers, they could have gotten their money back in the usual ways—through tax breaks or special concealed subsidies—or they might even have blazed the trail Lockheed was later to take. But the chemical and soft-drink industries had an advantage Lockheed could not match: a group of small, rural allies, tiny victims of the same disaster, who could serve as poster children for the campaign.

The most important of these showpiece farmers was the California Canners and Growers (CalCan), a group which managed to project itself as a combination of Thomas Jefferson's rural virtues and Horatio Alger's energy. The CalCan cooperative was set up in 1958 by 473 fruit growers, and has since expanded to include 1145 growers in California and Wisconsin. As CalCan president Robert Gibson stressed again and again when he appeared before Congress, the co-op members were "mainly small and medium-sized family farmers. Over half of them deliver less than $12,500 worth of products to our plants in a season." These hard-scrabble farmers had used cyclamates as their means of survival in a world of big business. In 1964, the co-op had invested much of its saved-up capital in a promotion campaign for "Diet Delight" canned

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fruits. Sending its produce to all parts of the country, CalCan found its foresight rewarded. "By 1968," Gibson said, "the canning industry had come on hard times because of oversupply and rising profits. Returns fell sharply. But Diet Delight continued to perform well."

The cyclamate ban not only rubbed out the Diet Delight brand name (except in foreign countries where it could be sold), but it did so at the worst possible time. The FDA announcement came in October, just as CalCan was winding up its annual harvest-time canning of the newly ripened fruit. The whole year's production had been packed with cyclamated liquid—and was, therefore, almost a total loss. As what Gibson called "consumer confidence" fell off, the co-op was left with 3.2 *million* cases of canned fruit. Estimates of the loss ran as high as $15 million.

The plague on the California farmers set the stage for H. R. 13366. CalCan officials—who began working with the National Canning Association, the trade group which was later to supply much of the lobbying manpower for the bill—recalled precedents for helping farmers in distress. In the early sixties, after a few cranberry bogs had been contaminated with pesticide and hundreds of other cranberry farmers could not sell their perfectly pure crop, the Agriculture Department rescued them by buying up the surplus and feeding it to schoolchildren. But that technique could not help CalCan, since their cyclamate fruit was not fit even for schoolchildren or welfare recipients. Nonetheless, the growers felt themselves in the same victimized, blameless position as the cranberry growers, and they wanted the same kind of public help. The only choice seemed to be asking for special legislation.

Help From on High

In making the trip from farmers' complaints in the California valleys to formal proposals in Congress, the cyclamate plan took on the strange split personality that was to complicate its passage. At heart, the farmers' strongest case was a plea for relief: they were low-profit operators at best, and they had been hard-hit by troubles not wholly of their own making. If they had asked for special loans, or even grants, they would have been in roughly the same moral position as families left homeless after a hurricane, or small enterprises asking for guaranteed loans. Instead, the bills that turned up in Congress were phrased to "compensate" the cyclamate industry, rather than "relieve" the farmers; their benefits were tied to the amount of business loss, not the size or income of the claimant. The reasons for the change are not too hard to figure out. At every level of industrial organization above the farmers themselves, large companies had a clear stake in a "compensation" bill. The National Canners Association, which worked on the bill from the start, also needed "compensation" for the many canners it represented. The bill's appeal to Coca-Cola and Abbott is too obvious to need stress.

The cyclamate compensation plan made its first, abortive appearance in Congress in 1970, when Michigan's Senator Robert Griffin (whose constituents included the Morgan-McCool diet-fruit packers) introduced a draft written by the National Canners. Although Senators William Proxmire and Frank Moss were attracted by the farmer-relief aspect of the bill, it never made progress. At the time, the Executive agencies which had so recently banned cyclamates resisted this attempt to repay the industry. One FDA lawyer, M. J. Ryan, wrote a blistering memo opposing the bill; he said it would reimburse losses that the industry should bear "as one of the risks of doing business," that it would swamp the Court of Claims with cases, and that it would enrich an industry which had "merely pocketed the excess profits" for years. Robert Finch, still at HEW, agreed, estimating that the cost would be $250-500

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million, and concluding that "the withdrawal of a government clearance on safety grounds should be regarded . . . as a normal hazard of doing business."

As the Senate bill stalled, held back by HEW opposition, the canners learned the new gospel of Washington: when all other doors are closed, there may still be sympathy at 1600 Pennsylvania Avenue. Milan D. Smith of the National Canners Association went to see Casper Weinberger, head of the Office of Management and Budget. When he came out, he was able to tell his friends in the trade that Weinberger was with them—and had even coached him on strategy for lining up support. The point was to get HEW, Justice, and Commerce to take a "united" stand on the bill—and the stand to unite on was, of course, support for the canners. Advice from on high proved fine; after a little coaxing, witnesses from all departments gave loyal testimony when the bill made another try.

Smarter Now

The second version of the bill was introduced by California Congressman B. F. Sisk early in 1971. From the start, it showed a keenly perceptive bargaining philosophy. The loss estimates had been drastically pruned—down to $100-120 million, of which $32 million was to go to canners, $34 million to soft-drink companies, and $45 million to "others" including growers. Skeptics suggested that the $100 million figure might be low, since the companies had every reason to underestimate now and make their big claims later, after the bill passed. The bill would cover "indirect" losses as well as the direct loss of cyclamated fruit and drink; these indirect costs could include advertising, converting cyclamate equipment to other uses, and perhaps the salaries of those in the cyclamate departments. The result would be that the growers—whose loss figures will be harder to inflate—would end up with a smaller share of the payoff than was advertised in Congress.

Along with minimizing the apparent cost, the bill's strategists also shrewdly kept the hungry farmers in front, on display. All the early sponsors of the bill were either Californians—Sisk, Jerome Waldie, Robert Leggett, Charles Gubser, and others—or representatives from districts where small-scale canners had been hurt. The biggest potential beneficiaries of the bill—the soft-drink makers and cyclamate manufacturers—lay low, appearing before congressional committees only when asked to, and hinting all along the way that they might not even file claims.

During the House Judiciary subcommittee hearings in September, 1971, and the House floor debate in July, 1972, everything was done in the farmers' name. Sisk stressed the claim, true only by contorted logic, that "the brunt of the government action fell on relatively small concerns and on grower members of farmer cooperatives." California's John McFall told of his constituent on a 90-acre peach farm, who had suffered a $3,000 loss. Gubser, who popped up and down during the floor debate to defend the farmers, painted a picture of agrarian virtues tampered with by the government: "God does not turn the maturing of fruit on and off like one can stop the bottling line at Coca-Cola or Pepsi Cola. It comes once a year. If they had told us about this in March [which, it later emerged, "they" had] we would not have canned the stuff. But it came in October, at the highest inventory of the year." To round off the underdog plea, witnesses from the Teamsters came to list the poor, black, and Chicano workers who had been laid off after the ban.

While all this was going on, no word came from Pfizer, General Foods, Pillsbury, Duffy-Mott, Nehi, Dole Pineapple, or the others. From the example of large farmers who collect thousands in subsidy payments, they had learned to leave the

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talking to the little fellows. If only Lockheed had found a small airplane company to be the figurehead, its relief bill might have had less trouble.

The growers' main premise was that they were not to blame for their losses. The twin foundations for this stand were, first, that there was no warning of the ban ("It came 'boom,' like that," said Sisk) and second, the GRAS list was a type of government guarantee of safety.

Safe Soup

Under opposing testimony from Anita Johnson and Dr. Sid Wolfe of Ralph Nader's Health Research Group, James Turner of *The Chemical Feast*, and other consumer representatives, both claims fell apart. The "boom"-surprise claim was feeble, considering the years of warnings which had rolled out from the FDA, the World Health Organization, and from the food industry's own trade newsletters. One of these, *Food Chemical News* (FCN), gave repeated warnings that changes were coming. On December 23, 1968, FCN reported that the FDA "will probably lift the GRAS status of the cyclamates sometime after the new administration comes into power." On February 17, 1969: "The FDA is planning to lift the GRAS designation, but is torn over how it can be done without serious harm to the industry." Apart from this, the industry's own suspicions had been strong enough for Coca-Cola and Pepsi to develop their non-cyclamate diet drinks a year before the ban. A Coca-Cola representative described this to *The New York Times* as "taking out insurance." But the only company troubled enough to avoid cyclamates altogether was Campbell soup. As mogul-ambassador Walter Annenberg reported in a letter to Senator Warren Magnuson, Campbell had been so worried by cyclamate's hazards that it had refused ever to use them.

If the no-warning plea was hard to sustain, the GRAS argument was consciously deceptive. If the FDA, after its cyclamate warnings in April, 1969, still left them on the GRAS list, what better indication could there be of safety? How could the companies be blamed for relying on the list? The answer was that they could be blamed because they had pressured the FDA to keep them there. After the rumors in February that the FDA was getting ready to remove cyclamates from the list, stacks of telegrams and letters piled up from the industry. A typical telegram, from the president of Royal Crown, said: "We are seriously concerned about reports that you are considering taking cyclamates off the safe list. . . . We urge you to postpone action on this proposal." From Dole Pineapple there came a request for a one-year delay. From every conceivable soft-drink maker came echoes of Royal Crown's plea. Some of the bigger interests, including Coca-Cola and the chemical companies, arranged meetings with the FDA. And from one California canning group, Tri-Valley Growers—a partner with CalCan in a can factory—came a special plea for delay.

These telegrams were not publicized during the House debate, and so Waldie and Gubser could say that "the manufacturer and producer who used the cyclamate were using it on the basis of representation of the U. S. government that it was a safe product." But even then, there was another bit of duplicity in the GRAS argument. As Anita Johnson pointed out, the food industry has for years resisted the FDA's attempts to be the sole judge of what stays on the GRAS list and what goes. In January, 1971, for example, when the FDA proposed a change in GRAS, dozens of companies (including cyclamate claimants) protested that the FDA was assuming too much power. The National Canners—who stressed the GRAS guarantee time and again in the cyclamate hearings—wrote that they "cannot accept any interpretation of the proposals as making FDA the exclusive vehicle for GRAS determination."

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(Late in 1971, the FDA tried to avoid cyclamate-type claims in the future by publishing an official notice that GRAS was no guarantee against banning. But, ironically, the move gave strength to the cyclamate sponsors, since it suggested that the old policy had given a guarantee, and since it let them say their bill would not possibly set a precedent.)

As this increasingly damning evidence turned up, the growers began to see the extra drag their big-business riders were adding to the bandwagon. The more it became clear that Abbott and Coca-Cola didn't deserve any payment at all, the more the farmers tried to separate themselves from the pariahs. If their claim was weak—they did, after all, have representatives in Washington and should have known that the ban was on the way—it was stronger than that of the big companies. In October, shortly before the ban, the growers had gone to a seminar, sponsored by Abbott Labs, designed to give the truth-squad treatment to cyclamate reports. The seminar talks had titles like "Let's Clarify the Issues of Cyclamate Safety," and "Abbott Laboratories Cyclamates Is Safe for Human Consumption." Embarrassingly enough, the final data on cancer came while the seminar was still on. All this might have meant that the growers should sue Abbott for their losses, since the company was leading them on when it should have known better. Indeed, the growers might have sued—except for clauses in Abbott's cyclamate contracts barring liability.

Profiles in Weakness

On the floor, Waldie, Gubser, and Sisk went to extraordinary lengths to show that their bill would only help the deserving, small growers. They stressed the requirement for proving "good-faith reliance on the GRAS" list before anyone could make a claim, and they said that the big companies probably would not collect. Their comments, of course, had little legal effect; if the bill becomes law, the companies will still be able to go to court along with the growers.

The cyclamate bill passed the House on July 24. For the bill, the Californians told of the CalCan troubles. Against it, stood an awkward coalition containing H. R. Gross (more waste and suckerdom), Emmanuel Cellar (blank check for companies), Leonor Sullivan (opening the Pandora's box of the Treasury), James Mann of South Carolina (rewarding bad judgment), and Silvio Conte (don't cry over spilt cola). As the vote was taken, the bill appeared to have lost, 176-171. But at the last minute, six men changed their votes: William Harsha, Sherman Lloyd, William Dickinson, Robert Mollohan, Harley Staggers, and John Brademas. It passed, 177-170.

In the Senate, the bill's sponsors were California's John Tunney and Alan Cranston—two veterans of the Lockheed case who had learned that broking for federal benefits is the modern senator's most important job. Here, the bill ran into heavier weather than it had in the House. At hearings before Edward Kennedy's judiciary subcommittee, staffer Tom Susman produced piece after embarrassing piece of evidence from FDA files, and Kennedy poked at all the industry's soft spots. Even Tunney left the hearings wondering about his bill. The hearings ended in early September; one month later, the bill still lay in committee, waiting to see whether Tunney, Cranston, and James Eastland, new foreman of the judiciary plantation, will be able to save it.

If the bill does pass, it will have disastrous practical implications. The Campbell soup board of directors would have to fire the man who steered them away from cyclamates, for he would have cost them years of potential profits. The other companies would learn that there was no risk in their excursions into chemical feeding—and, therefore, no reason to hesitate in the future. If the decision to use a pesticide, additive, strange ingredient,

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or hazardous chemical depends on the balance between profit and risk, removing the risk can only encourage the users. The bill's opponents argue that giving compensation would make the FDA hesitate in its bannings, since it would realize the cost to the Treasury. Though the conclusion is right, the reasoning is wrong: actually, it would make thousands more bannings necessary, since the industries would have no incentive to police themselves. With its budget of $27 million for inspecting the $100-billion food industry, the FDA cannot hope to do the regulating by itself. This is the danger both of the cyclamate bill and of an amendment to the new pesticide bill, compensating pesticide users when their chemicals are banned. By removing the one faint restraint on limitless chemical use, the fear of economic loss should the product be outlawed, the compensation would mean either grossly expanded government control or grossly expanded food hazards.

Welfare Reform

The other question the bill raises is that of the corporate welfare-state. The forces that supported the bill were a curious alliance of "conservative" and "liberal," right and left, separated only because they represented different interests, united in wanting to get federal payments for their clients. The normal conservatives' hostility toward welfare arises mainly because the conservatives' clients, the businesses, are eligible for another form of government handout —the subsidy, a payment given for some service. Since the liberals' clients have been the very groups least able to perform services worth subsidizing, they line up for welfare. The cloak of Honest, if Subsidized, Work—which defense contractors, shipbuilders, and oil well drillers use to cover the essentially public-works nature of much of their activity—is denied the individual poor. But as our corporations become more important for the jobs they provide than the soft drinks or detergents they make, they grow less embarrassed about joining the official welfare list. When possible, companies still try to make their relief checks look like "compensation" for some special favor they've done the government: the cyclamate and pesticide bills showed this, as did a remarkable proposal by Texas' Graham Purcell for dealing with the shady Russian grain deal. Instead of catching the smoothies who made windfall profits from early information, Purcell wants to repay all the farmers who missed out. The animus behind all these measures, which came out naked in the Lockheed case, is the welfare ethic, much despised when exhibited by the poor.

It would be wrong to blast the welfare system simply because the rich are signing up; there may be good reasons for supporting certain corporations or industries. But we should spend a little more time thinking about those reasons, and about the system we are creating from the grants and compensations handed out day by day. The economic function of welfare payments is to preserve people or institutions which raw economic forces would not preserve. Some parts of the modern industrial structure may seem worth that prop: it may be easier to subsidize cells of engineers and scientists—as they learn how to make transit systems rather than bombs—than to cut them loose when the defense contracts run out. But it is doubtful that, on reflection, many people would want to retain the rest of Lockheed—or Abbott, or Coca-Cola—with their layers of empty jobs and their emphasis on sales. There are better ways to keep people in work. Years ago, sophisticates in foreign programs recognized the same principle: if you want to help a peasant, help him, not his governor. If the rationale of our aid programs to corporations is preserving the men on the bottom, why not give them the money directly, and let aging structures die? ■

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TIDBITS and...

Upward Mobility

Buried in the columns of the *Federal Register* are fascinating insights for those who have learned to read between the government's lines. The new ACTION agency—which contains the Peace Corps and VISTA, and where servants scarcely fit the image of service—published the following announcement on September 1:

"Section 213.3359 is amended to reflect the following title change: From Chauffeur to the Director, to Confidential Aide to the Director."

Nice Work

The government has an "incentive award" program which costs the taxpayers millions of dollars each year. It is supposed to work by giving cash grants to employees who do especially fine jobs. As an example of the way it really works, Mike Causey of *The Washington Post* reported that the Office of the Secretary of the Air Force recently gave out awards to 156 of its 276 employees.

Good-bye Horacio

As a retirement present for Admiral Horacio Rivero, 30 Navy ships carrying 21,000 men spent two days steaming up and down the Mediterranean, in formation. For the finale the ships formed two columns, with Rivero cruising down the middle in the opposite direction. One helicopter went down, and the taxpayers were billed for approximately 500,000 man-hours of sailor time.

Drug Trip

Feeling sick? A long trip may do you good. HEW has collected data comparing the prices drug companies charge for the same item in different countries:

Drug (Manufacturer)	U. S. Price	Foreign Price
Darvon (Lilly)	$7.02/100	$1.66 (Ireland)
Declomycin (Lederle)	$19.79	$3.87 (New Zealand)
Teramycin (Pfizer)	$20.48	$9.79 (Australia)
Erythrocin (Abbott)	$20.12	$10.02 (U. K.)
Doriden (CIBA)	$8.00	$ .92 (Ireland)

Pay Now—Fly Later

Americans have often worried that if welfare becomes too comfortable, people will stop working and go on the dole. New evidence to support this fear comes from Northwest Orient Airlines.

In 1958 the nation's airlines set up a "Mutual Aid Agreement"—a kind of reverse strike fund which would pay benefits to any airline closed by a strike. Since then, Northwest has been remarkably prompt to shut down all operations whenever a local dispute arises. It had one long strike in 1966, a 160-day shutdown in 1970, and a 95-day strike this year.

One explanation for Northwest's labor troubles may be the Mutual Aid cushion. During this year's strike the company collected $30 million from its competitors. In 1970, when all the other airlines were deep in the red, Northwest emerged from its half-year strike and declared a dividend.

Fighting for Time

The U. S. military aid program to Cambodia was intended to help the fighting little democracy protect itself. Some of the items granted so far are:

Air Conditioning Equipment	$65,407.97
Brewery Supplies (bottle tops)	$19,465.10
Television Sets	$17,120.00
Time Magazine	$5,850.00

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OUTRAGES

Deeper Freeze

J. Edgar Hoover may be gone, but his personnel practices are not forgotten, at least by HUD Secretary George Romney. Hoover used to send dissenters to Butte, Montana. Romney, according to Jerry Oppenheimer of the Washington *Evening Star News*, likes to put them in even deeper freeze. Last year, Jay Thal, a housing program analyst, started publishing *Quest*, an underground journal designed, as he put it, "to wash HUD's dirty linen in public." On June 12, he was assigned to Anchorage, Alaska.

Cockatoo's Lament

Representative Victor Veysey in the *Congressional Record*:

Mr. Speaker, I rise to eulogize a euthanized cockatoo.

Now this was not a garden variety pink parrot, mind you, but a fledgling movie star whose career as a roller skater was snuffed out by a grim gasser from the Department of Agriculture. The Man from Ag asphyxiated the cockatoo as part of the department's efforts to stamp out the epidemic of exotic avian Newcastle disease now threatening every bird in the country. The roller skating cockatoo was one of the millions of birds that have been eradicated in southern California the past several months, but there the resemblance ends.

Mr. Speaker, fortunately the cockatoo's demise was not too tragic. Its owner received $2,000 from the Federal Government in recognition of its potential earning power as a performer. But tragic endings are all too common in the Newcastle program. A pet store owner can receive $2,000 for one bird while hundreds of poultrymen whose life's work is being wiped out are brushed off with $1.54 per bird, which figure will not enable a poultryman to resume his business.

Absentee Wiretapping

In his eagerness to round up the nation's crooks through wiretaps, John Mitchell took short-cuts which may set 1,000 defendants free.

The defendants—mainly in for narcotics and organized-crime charges—were caught by wiretap evidence; the wiretaps were authorized under the Omnibus Crime Control and Safe Streets Act of 1968. But wiretaps are legal only if the attorney general—or an assistant attorney general he has designated—specifically approves them.

As Mitchell began traveling more and more frequently with President Nixon in 1970 and 1971, this requirement raised difficulties. To keep the tappers busy, he thought up a shortcut. Whenever Mitchell was away, he turned the wiretap approval over to his executive assistant, Sol Lindenbaum.

The ruse was discovered, according to Tony Marro of *Newsday*, when wiretap orders signed "JNM" appeared while Mitchell was out of town. Then, in the fall of 1971, a Miami court freed a band of convicted smugglers because of a forged wiretap order. Since then, a narcotics case in New Orleans and a Detroit gambling case have been overturned because of quickie-wiretaps.

"Far more than mere non-compliance with a 'statutory technicality' is here involved," said Cornelia Kennedy, judge in the Detroit case. "A principal congressional purpose has been thwarted, and this court cannot and will not condone such procedures."

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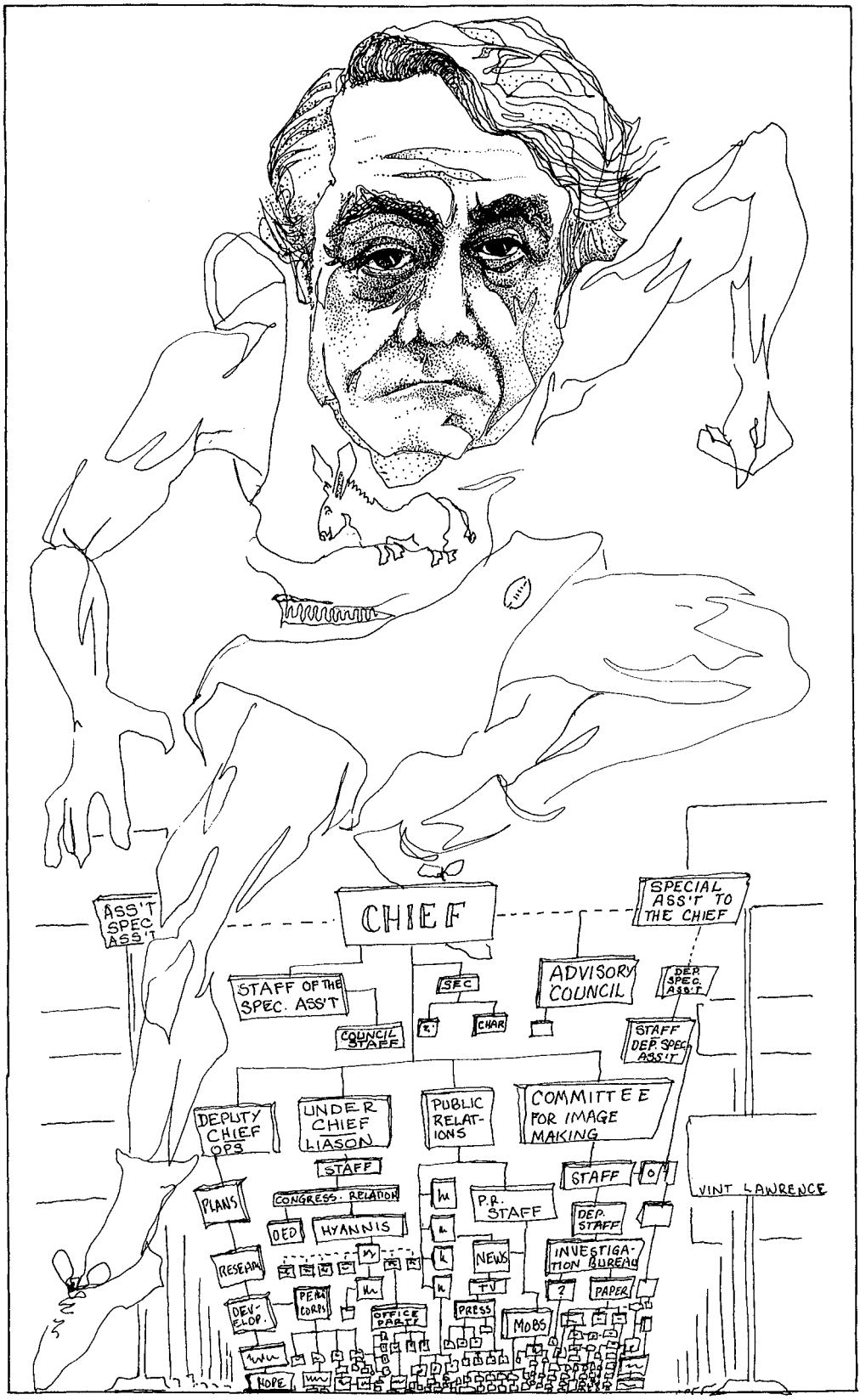

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The Shriver Prescription: How the Government Can Find Out What It's Doing

by Jack Gonzales and John Rothchild

Sargent Shriver is best known as Kennedy memorabilia and for his ability to win appointive positions, but to some of the old bureaucrats around the Office of Economic Opportunity, he was much more threatening than that. For Shriver is one of two Western leaders in recent times who has actually tried to do something about bureaucracy—the other being Fidel Castro. And in a sense, Shriver's little war may be the more instructive of the two—for while Castro merely shut down his ministries and sent the unemployed into the cane fields, Shriver had to pick and twist from inside the bureaucrats' home territory, hoping not to arouse alarm.

Shriver's role as antibureaucrat has mostly gone unnoticed, or else it has been taken as evidence of his poor abilities as an administrator. The few people who did look into the way he ran the Peace Corps and OEO were more interested in his character than in the nature of the forces he was fighting. That approach missed the point, since he left and they stayed. The bureaucrats always stay, of course, multiplying in the artificial light like coral in heat—that is one of the dilemmas Shriver confronted. And unless somebody else starts scratching down where Shriver began, it will matter less and less about the character of the people at the top. Like the general public, the top people are pleading increasing ignorance about what their agencies are doing.

The most recent example of this comes from General John Lavelle, who was able to dump all over North Vietnam while his superiors had authorized only reaction strikes and the bombing of limited targets. Lavelle's supposedly unauthorized sorties occurred while the Administration was trying to negotiate, and the North Vietnamese took them as evidence of bad faith. Lavelle got away with the actual bombing for the same reason his superiors later escaped any reprisals for it—Lavelle said he hadn't told the higher-ups, and they said there was no way they could have known. The generals were just like the public—in the dark about it all. Whether or not their story is true, the situation, as we will see, might not have arisen had Shriver's first bureaucratic antidote been applied.

The Office of Evaluation was something that Shriver concocted with William Haddad, an ex-newspaperman, during the early Peace

Jack Gonzales is writing a book based on some of the material in this article. John Rothchild is an editor of The Washington Monthly.

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Shriver is one of two Western leaders in recent times who has actually tried to do something about bureaucracy—the other being Fidel Castro.

Corps days. The idea was to establish an independent reporting outfit, completely separate from the normal chain of command, to roam the field, find out what was going on, and report directly back to Shriver. The chain of command could be dragged in later to argue and explain itself, but the evaluation reports wouldn't be filtered through it.

This may seem like a trivial measure, and something that had already been practiced by everybody from the Incas (spies for the sun king raced around gathering news of potential uprisings) to the Spanish, the British, and even Stalin's secret police. But Shriver's idea was different from the whisper-in-the-king's ear approach to government information. The reports of his fact-gatherers were public within the agency and everybody had a chance to react to them, correct them, and to confront the accusers. Neither was it a trivial idea to the Peace Corps or the OEO, the only two U. S. agencies that have tried it. The traditional bureaucrats didn't like Evaluation because Shriver's inspectors ruined the whole elaborate sanitizing system that made information gradually more palatable as it passed from the field on up the line. This sanitizing occurs in all government agencies, largely because if your report to your boss doesn't enable him to write an optimistic report to *his* boss, then your boss will be out of a job, and so, presumably, will you. The thought that internal muckrakers would fan out from the agency and pick up the raw scum, right from the silt bottom, and return it to the director's office in unrefined form, with everybody stepping back or ducking for cover—was not comfortable to traditional bureaucrats.

So, when Shriver set up the same thing in OEO—where it was called the Office of Inspection, he immediately ran into problems with the Community Action Program (CAP) people. These were mainly cash-flow supporters who saw OEO as a kind of long drainpipe extending from the Treasury. They feared any bad news that might impede the flow, regardless of where the money might end up. The CAP forces, led by a former auto union executive named Jack Conway, soon ran into Haddad and the inspectors, who had discovered, among other things, that white applicants for OEO funds had reneged on promises to hire black staff members. In any other agency this fact would probably not have made it to the director's attention, since it would have had to rise through the hands of the very people who were busy pouring the money downward. It came through OEO courtesy of Haddad and his snoopers. They further enraged Conway by bringing up their reports of false statements on CAP applications at a senior staff meeting, a surprise attack that gave the CAP forces neither advance warning nor a chance to prepare a defense. Haddad's people didn't have to handle it this way. There might have been a lot less intense opposition to their reports if they had provided the CAP a courteous early look—but the struggle that ensued does point up the power that such information has within an agency and the potential threat that it represents.

CAP officials, particularly Conway, never forgave Haddad, and in the eyes of many bureaucrats he became just another Jack Anderson—with fink overtones since Haddad was inside the agency. Shriver supported the Haddad forces by refusing to sign Community Action grants unless Inspection ap-

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proved them first. CAP, meanwhile, went to its client communities and contacts with complaints about Shriver's disregard for channels. (Without such strong support from the boss, the report-writing system would never have worked. The whole process of putting out evaluations gutsy enough to make CAP people mad was encouraged by the idea that Shriver would not only read them, or possibly reward somebody for producing them, but even might take action on them.)

Pumping the Iron Lung

Shriver's slap at bureaucratic etiquette was also a challenge to CAP's view of the agency as Santa Claus. CAP partisans didn't see the point in digging up dirt about a program, since they believed that grants should be given even if the recipient used them in contradiction of the purposes of the agency. CAP mounted enough resistance to Shriver that the 1965 conference of U. S. mayors came close to adopting a resolution accusing OEO of "trying to wreck local government by setting the poor against city hall." This meant trying to cut off money.

CAP also started leaking stories to the press about Shriver's "poor administrative ability," and curiously, it was the liberal press that picked up on the charges. *The New Republic* slashed at Haddad's attack on "administrative order," a criticism that was probably true; the magazine also indicted Shriver for "administrative weakness." These charges were echoed in various ways through newspaper accounts of the OEO chaos, and you got the sense from reading them that the place was falling apart for lack of respect for the machinery. The machinery and the meddling of Inspection was the level on which the whole Conway-Shriver tussle was debated, but underlying that debate was the role of government itself. Was government to be a place to live, a secure provider of jobs, a national iron lung that must be protected from jolts and shocks so it

Politics, Science, & Dread Disease

A Short History of United States Medical Research Policy

by Stephen P. Strickland

The rise of The National Institutes of Health is traced in this first historical analysis of national policy in biomedical research. Mr. Strickland examines the recurrent struggle between elected public officials and science administrators over the pace and direction of cancer and heart disease research. And he analyzes the roles that key members of Congress have played in the development of medical research. What emerges is a clear picture of how government officials actually formulate national policy, not only in medical research but in other areas as well. $9.95

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could continue to pump out its sustenance to all those who depended on it? Or was government a catalyst, an experimenter, a change agent, a gambler that would cut in or out of projects at will, depending on whether those projects were working or whether the goals were still valid? The Conway iron lung view was essentially the same as that of the people who support Lockheed—give them the money even though the planes aren't working, don't make trouble because jobs are at stake. The Shriver Inspection office was based on the second view—in projects like OEO, government was not a warm tit. You couldn't support Inspection, and the shake-ups it might cause, without believing that programs could conceivably be reformed or even canceled—and you had to accept the second role of government for that.

Faking Out Jack Anderson

It is ironic that Shriver's Inspection office ultimately gave him a bad press, because newspaper clippings were largely the reason the office was established in the first place. Shriver saw Inspection not as a way to change OEO's mode of thinking, but as an "early warning system," to get the bad news from his own Jack Andersons before the real one caught him in *The Washington Post* without a defense. As a by-product of this public relations move, grass-roots problems of the agency would be brought to his attention, and many of them would be solved. But Inspection also helped Shriver learn where his Pakistans were, so his people could enthusiastically lead reporters away from them. This technique was perfected in the Peace Corps, where many inquiring journalists were pushed off to the success story in Ethiopia while there was a volunteer revolt going on in Peru.

We often think of the struggle between the press and the bureaucracy in terms of information hidden from the public—that they are all sitting over there, in smug knowledge, joyously slamming our fingers in their file cabinets. But even if he didn't establish it for precisely the right reasons, Shriver's Inspection office underscored the deadening effect that fear of the press can have inside the bureaucracy itself. From an agency perspective, the bureaucrat's main job is not only to hide facts from the public, but also to keep them from fellow bureaucrats up the line. When bad news gets into the papers, the superiors will read it too. If the heat is on and there might be leaks in the pipes, the best thing to do is not to send any adverse information through. Both the public and the agency's directors end up suffering from the same ignorance.

It also turns out that the greater the potential for being burned in the press, the less government officials want to know about what is happening at the lower levels. Which brings us back to Lavelle. His bombings brought a strange chorus line to Senator John Stennis' Armed Services Committee, all in a scramble to prove their ignorance. The boss' lack of awareness that his hireling was bombing the hell out of a country might be grounds for charges of incompetence, but Stennis found it reassuring, even laudable, that Abrams didn't know. The fact that the commander of the U. S. forces in Vietnam hadn't the foggiest idea what Lavelle, the commander of the Seventh Air Force, was up to, was enough to convince Stennis and most other senators that Abrams was qualified for the top post in the Army.

It is doubtful that the military brass ever heard of Shriver's inspectors, but the Lavelle case caused some of them to think of the idea on their own. Robert Seamans, Secretary of the Air Force, was concerned that the public might lose confidence in the military when it learned that some guy was wiping out a country without Pentagon knowledge. He talked of investing Air Force inspectors with more credibility by separating them from the line of command. He

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pointed out that there might be a problem in the fact that the Air Force inspector general closest to the Lavelle case was also the vice commander of Lavelle's air base. "That's the kind of thing we've got to take a look at," Seamans said.

The question is, who's going to look? Certainly not the inspectors, whose past performance will be brought into doubt. Certainly not top staff people like Abrams, whose protective decapitation from the rest of the military is often their only defense. Inspection won't be adopted in most agencies because it makes it harder for officials to deny that they knew what was happening all along. The way things are going in government, the only accepted defense these days is ignorance. For a government that bases its claim to wisdom on superiority of information, the recent record is startling—generals didn't know about Mylai, the Nixon finance committee didn't know about the Mexican bank accounts or how hundreds of thousands of dollars got into its hands, the antitrust people didn't know about ITT's talks with the White House, the secretary of agriculture didn't know about people benefitting from grain deals—the roll of ignorance is endless. On another level, Washington, D. C. police officials didn't know that the crime statistics were being lowered by a deliberate undervaluation of larcenies by cops on the beat. Put in inspectors who would get all this muck back to the top, and administrators everywhere would flee from the reports as if they were so many subpoenas.

Clogs in the System

Shriver-style inspection has a very short future in bureaucracy because it runs against all the grains. Information from the field flows up, but almost everything else—paychecks, status, power, influence, GS ratings, rewards—flows down. The whole GS system is powered on the energy generated by everybody caressing the bottom of the chair of the person above. Far from finding ways to get more unpleasant information to the top, the bureaucratic market in finding ways to avoid just that is growing very fast. Several have tested out well over the last decade:

The whole GS system is powered on the energy generated by everybody caressing the bottom of the chair of the person above.

Banishment. The usual fate of whistle-blowers and others who persistently demand that an agency do what it is supposed to. Too well-understood to elaborate.

The Sandwich. As discovered by reporter Frye Gailliard after investigating the Bureau of Indian Affairs. Dissident Indians were recently brought into the Bureau, but their questioning was effectively buffered by putting a traditional Bureau supporter on either side of a critical Indian. You ended up with a multi-layered sandwich (dissident-loyalist-dissident-loyalist. . .) so that information from any Indian could not get any further than the next office.

Tell Me On My Own Terms. One of the beauties of Shriver's technique was not that it brought information from the field—which thousands of bureaucrats were doing every day—but the kind of information it brought. Most agencies have cleverly devised the questions so that the answers deliberately hide the real story without actually lying. It was a hard lesson for officials to learn, as David Halberstam shows in his upcoming book on the makers of Vietnam *The Best and the Brightest.* Halberstam says that on one of his first trips to Vietnam, McNamara was confronted with a

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barrage of glowing reports, until finally he arrived at a province in the Delta where:

Rufus Phillips' people had reported enormous Vietcong progress. A copy of the Phillips report had been made available to McNamara in the morning when the military briefing began. Taylor was standing there impressive, asking helpful leading questions: Major, we know what a good job you're doing and that this situation is under control, and we wonder if you could tell us about it?... McNamara had tried to penetrate these briefings in the past without much success but this time he was prepared, he had read a pessimistic paper on this same province. Had the major, McNamara asked, read the report of his civilian colleague in the Hamlet program? Yes, sir. Did the major agree with the civilian appraisal? Pause. Finally the officer said yes, he did. Why, then, asked McNamara, hadn't he reported it himself? Because his civilian colleague reported it and because he himself had reported only the military situation as set by guidelines from MACV.

This was fine as far as it went: here was McNamara, finally cutting through to the truth, and presumably he would no longer be duped by the self-serving military reports. But that optimistic conclusion misses a central point: even when accurate reports filter to the top, there is that final and most important barrier to the officials' understanding of the news—his own mind. While McNamara could be enraged at the system that kept lower-level people from getting their points across, he reacted in the following manner (a year after the Phillips incident) to this CIA briefing:

Fitzgerald, an old Asia hand, was made uneasy by McNamara's insistence on quantifying everything, of seeing it in terms of statistics, infinite statistics. One day after McNamara had asked him at great length for more and more numbers, Fitzgerald told him bluntly that he thought most of the statistics were meaningless, that it just didn't smell right, that they were all in for a much more difficult time than they thought. McNamara just nodded curtly, and it was the last time he asked Fitzgerald to brief him.

The McNaughton Effect. There are also reasons that people along the line might not want their views to get to the top, especially middle-level officials who derive power from knowing the important players. Halberstam describes the hypnotic effect that Robert McNamara had on one of his most articulate advisors, Harvard Professor John McNaughton. In the Pentagon Papers, McNaughton comes off as the most strident hawk of all, but Halberstam shows him as one of the most intelligent and troubled doves during the early years of escalation. McNaughton pours his doubts out to one trusted friend in the Pentagon, Michael Forrestal, and then a few moments later, confronting a few colleagues who are using precisely the same arguments that he expressed to Forrestal, he tears his arguments to shreds. Halberstam outlines the forces that move the McNaughtons to keep even their most passionate opinions to themselves:

In 1964 McNaughton was very unsure of his relationship with McNamara, he was newer in his position than McNamara was in his. He was almost mesmerized by McNamara: he had never seen anything like him and admired the Secretary without reservation, being almost slavish in his subservience. That and being extremely ambitious, and wanting, now that he was operating in the big and fast world of Washington, to remain there. So he became at once the man in the government where two powerful currents crossed: great and forceful doubts about the wisdom of American policy in Vietnam, and an equally powerful desire to stay in government, to be a player, to influence policies for the good of the country, for the right ideas, and for the good of John McNaughton. Though he was a Harvard law professor, there was no more skillful player of the bureaucratic game than John McNaughton, for he understood the bureaucracy very quickly and how to play at it, and he learned this, that his power existed only as long as he had Robert McNamara's complete confidence, and as long as everyone in government believed that when he spoke, he spoke not for John McNaughton but for Bob McNamara. That, with its blind loyalty and totality of self-abnegation, meant bureaucratic power, and John McNaughton wanted power. Any doubts he had were reserved for McNamara, virtually alone, and perhaps one or two other people that he knew and trusted, who would not betray him with

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gossip, so that the word would not go around Washington that McNaughton was a secret dove.

. . . Later, after the war had been escalated and he had become more confident of his relationship with McNamara and more sure that the war was wrong, some of his close aides began to wonder what would happen if the President ever asked him what he, John McNaughton, thought about an escalatory move, not what the Defense Department thought, not what McNamara thought. In 1966, when the question of bombing the oil depots at Haiphong came up, and the President was going around the room trying to get a consensus, one after another they all signed on, McNamara said yes, it was time to take them out. The Chiefs and then Rostow signed on. Ball dissented. And finally Johnson turned to McNaughton, who had been arguing violently in private against this, and McNaughton said simply, "I have nothing to add, sir."

The Field Syndrome. Shriver's inspectors in OEO and the Peace Corps found that people working out on the end of government's fingers often were not all that anxious to get the facts back to Washington. Some of them were worried about how those facts might be mangled and twisted on what seemed to be the increasingly distant trip from the field to the home office. Often it was less a matter of facts than a matter of culture; the field people were concerned that their views would be understood about as much as a German pun translated literally into English.

There is also a sense—at local levels of agencies—that keeping Washington out of things is a good idea, both because you ought to be able to solve your own problems, and also because once Washington gets into it, complications generally arise. Almost every bureaucrat in the capital is hired to facilitate work somewhere out in the hinterlands. The gratitude that the field generally has toward all this aid was summed up in a report that HUD commissioned last year on the effectiveness of its field support activities: "The Assistant Secretaries seem to get much more out of Field Support than does the Field."

"The Assistant Secretaries seem to get much more out of Field Support than does the Field."

For their part, Washington officials are uncomfortable with the people they are actually supporting. They would much rather follow a strict find-em, field-em, fund-em, and forget-em policy, where there is no danger that an irate local official or a government caseworker who doesn't understand the system, will make trouble for the higher levels. Higher-level bureaucrats also make the mistake of thinking that a lower-level bureaucracy is actually the field. This happened in the Peace Corps, where early programmers would go to a foreign country, talk to the minister of agriculture, agree to send 30 cattle experts into an area, and come home confirmed that they had accomplished some grassroots-level planning. The 30 volunteers would arrive in their area to find that there was no cattle farming in that region.

This happens a lot, because the solution to the field problem—from the bureaucratic point of view—is always to bureaucratize the field as much as possible. You set up enough chains of command and memo flow charts so you know you are talking to a real office down there in Topeka, and not to somebody who only works out on the streets. Decentralization is accomplishing this, and there will be more and more reports from field offices, but they will sound more and more like the ones already concocted in Washington. There will probably be very little of the kind of reporting that Shriver had in mind.

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I. F. Stone On Your Heels

These five bureaucratic tendencies to squash information are formidable obstacles to making inspection work in other agencies around the government, where the rubber cement is thicker and the GS trenches are deeper, and where the bosses are less willing than Shriver to admit their own mistakes, or to look closely at those made down the line. But the method did work in the Peace Corps and OEO, and while the entire bureaucracy won't unravel when one string is pulled, Shriver also yanked at a couple of others in the process.

Through Project Headstart he astounded traditionalists by taking what was supposed to be a demonstration project involving 100,000 kids in 300 communities at a cost of $17 million and jacking it up to include 561,000 kids in 2,300 communities for $85 million. He did this without the usual planning studies, authorizations, and cross-hatchings that normally take 10 years.

Through the five-year plan at the Peace Corps, he challenged the tenure system. One thing he did recognize was that career instincts are the main cause of all the backing and filling and covering of tracks. If bureaucracies weren't seen as careers, there would be no need for all the self-protection through inertial force. Shriver found a special way to deal with the career problem in the Evaluation offices, where many of the reports were written by journalists and other outsiders under part-time contract. This was supposed to make the reporting tougher and more independent, but in the Peace Corps, at least, the outsiders' evaluations tended to be less critical than those done by permanent staff people. But the presence of outsiders did have an effect on the regular staff investigators, who wanted to make sure they turned in an uncompromising account this year because I. F. Stone might be sent to the same place next year.

Beyond the Evaluation staff itself, Shriver proposed, and won for the Peace Corps, the stipulation that no employee could stay around longer than two two-and-a-half year stints. As a result, the agency was able to attract noble transients with no niche to protect. The five-year plan, however, had no future at OEO, which was set up by normal, level-headed bureaucrats, and it has about as much chance of being adopted in any other part of government as the Gay Liberation Front has of getting invited to a White House dinner.

Shriver's final stab at bureaucracy was through the OEO legal services program, which sent young lawyers to communities throughout the country. It was a program instituted by a bureaucracy, but the essential sabotage was that a few lawyers, filing a lot of suits, would change communities in ways that monstrous federal agencies had not. If the lawyers forced a city to revise its housing policies, for instance, there might be no need for gargantuan, lumbering HUD programs that would end up solving the problem by doing nothing. Legal Services was thought to be Nixon's one stab at a return to self-reliance, individual action, and non-paternalism. But the Administration has taken strong steps to hinder the one program that really fits Nixon's anti-bureaucratic prescription.

Inspection, the five-year rule, and legal services were hardly enough to turn Shriver into a bureaucratic abolitionist, but the amazing thing is that they were the only attempts at getting around what is a growing problem for everybody. Shriver's antidotes stand out because nobody else in government leadership over the last decade has done anything except start new agencies or talk about cutting down the size of old ones—which never happens, for predictable reasons. Shriver's experience tells us how far we have to go, especially since it was rewarded with the lasting impression that he was, in the end, a bad administrator. ■

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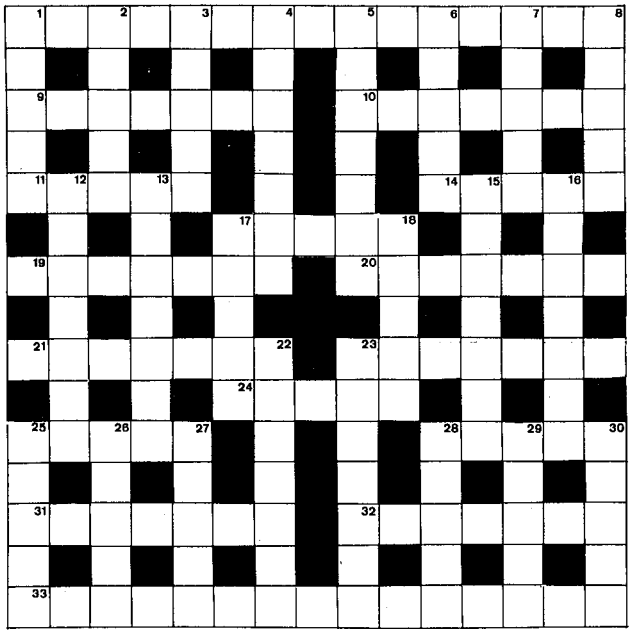
The Political Puzzle

by John Barclay



ACROSS

1. For positive assertion take leave from this Agency. (5, 10)
9 10. Sent abroad to teach severing of rice. (7, 7)
11. Main dish for Lady Astor. (5)
14. Washington House in Paris. (5)
17. Horse jumps the Sarre. (5)
19. They traipse through the infield. (7)
20. The original weekend. (7)
21. Housing by the loud arm of the ocean. (7)
23. The best remedy is cakes? (7)
24. A stye victim from Ireland. (5)
25. Sometimes broken, sometimes mobile. (5)
28. President was not a realty expert. (5)
31. U. S. Gov't set this lad free. (7)
32. Tin nail translation. (2, 5)
33. John and Dick don't rate ten-year long term. (8, 7)

DOWN

1. What's so good about this. (2. 3)
2. Throw oar at vital supply line. (5)
3. What keeps sexist alive in the end. (5)
4. Make nice use of Sargent's wife. (7)
5. Responds as wrens do. (7)
6. Covers for Jack Sprat. (5)
7. Naive up near the Alps. (5)
8. Tater turns out to be something special. (5)
12. Habitat of Rio coon. (7)
13. The law prescribes what King Tut eats. (7)
15. Outlook point by mesas for 1 across. (7)
16. He is not to engage in hate act. (7)
17. From one layer to another. (5)
18. This gives Tessa enough. (5)
22. Not a pleasure to turn him off. (7)
23. Gay tins will be around for a while. (7)
25. Nixon sought him out in search of fair play. (5)
26. Right in center of dim street. (5)
27. Sec'y Resor felt worse. (5)
28. Use claw for tonal difference. (5)
29. Mark retail up? Not I this soon. (5)
30. Learn about kidney function. (5)

The numbers indicate the number of letters and words, e.g., (2, 3) means a two-letter word followed by a three-letter word. Groups of letters, e.g., USA, are treated as one word. Answers to last month's puzzle are on *page 18*

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The Presidency

David S. Broder
THE FALLACY OF LBJ'S CONSENSUS

James David Barber
ANALYZING PRESIDENTS: FROM PASSIVE-POSITIVE (TAFT) TO ACTIVE-NEGATIVE (NIXON)

Thomas E. Cronin
OUR TEXTBOOK PRESIDENT

Hugh Sidey interviews Bill Moyers
THE WHITE HOUSE STAFF VS THE CABINET

Russell Baker and Charles Peters
THE PRINCE AND HIS COURTIERS: AT THE WHITE HOUSE, THE KREMLIN, AND THE REICHSCHANCELLERY

Howard E. Shuman
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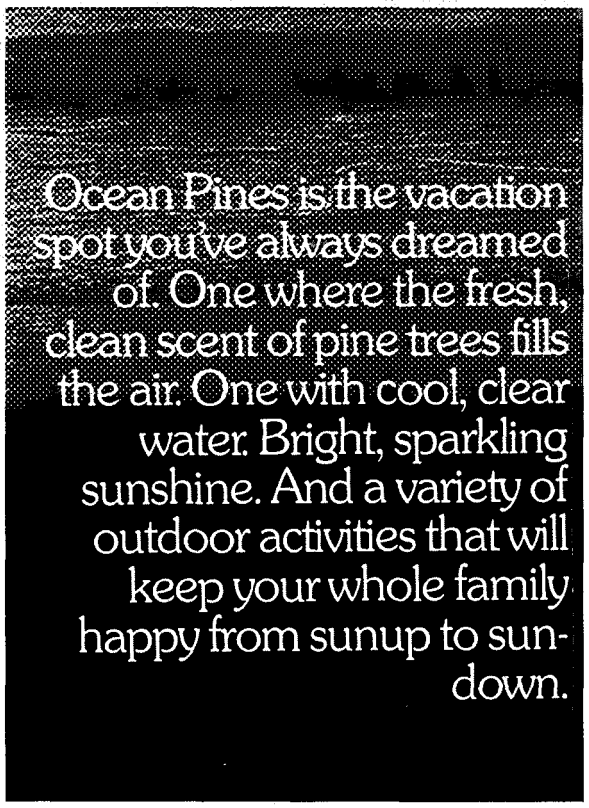
Boise Cascade: The One That Didn't Get Away

by William H. Rodgers Jr.



Last year Joe Curia was saying that you didn't need excitement to sell a piece of Boise Cascade's multi-million dollar Ocean Pines development on the coast of Maryland. Mr. and Mrs. Ross Horworth of Dover, Delaware, might not have looked like prime prospects when they showed up on a rainy January morning driving a car

William Rodgers teaches law at Georgetown University. This article is adapted from his book, The Corporate Company, *to be published next year by Rodale Press.*

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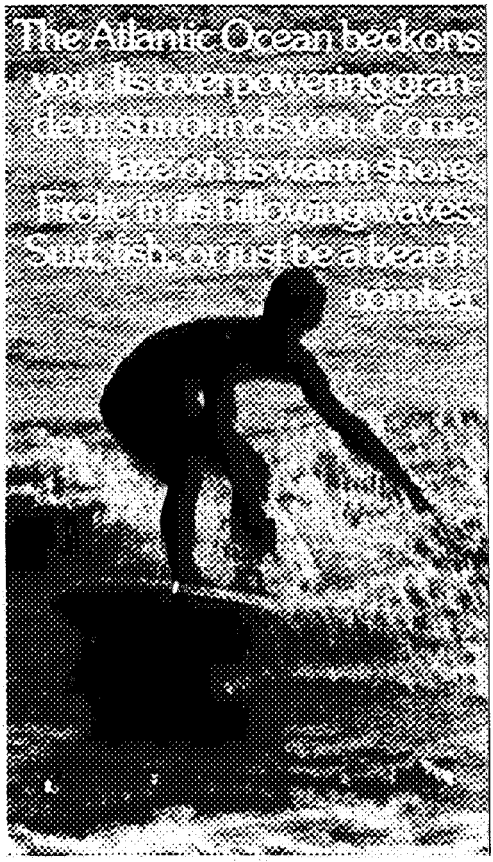

eight or nine years old, but Joe toured them, and sold them. He sold them a lot that was six feet under water. For $18,000–$10,000 down. Salesman Joe Curia created his own selling excitement: "I just told them how beautiful Ocean Pines was *going* to be. I told them there was nothing like it along the entire Eastern Seaboard from Maine to Florida." Sales director Bill Gibbs was ecstatic as he approved the contract: "Boy, oh boy, oh boy."

Things weren't looking so good for Joe Curia this year, nor for Ocean Pines, nor for Boise Cascade. Sales at Ocean Pines were shut down by the Maryland Real Estate Commission, upset because some of the salesmen had no licenses. To Boise Cascade this was small stuff compared to the troubles their other real estate developments were bringing in. Outlawed in Maryland, sued in California, investigated in Hawaii, Boise now watches in astonishment as its bit of the real estate pot of gold threatens to pull the whole company under. From its high of $74.50 three years ago, the company's stock had fallen to 9 5/8 last month.

Real estate speculation has long been a specialty of that durable American figure, the huckster. Bouncing from town to town, dealing out of a tin shack or a dusty storefront, he fleeces the endless stream of suckers ready to buy an acre of swampland or a desert tract as their stake in tomorrow. But like two-bit political bribery, land speculation has become big business, and big businesses like Boise Cascade have moved in.

Two forces drew the big corporations into land development: big money and high technology. It's hard to say exactly how much money is in the business because no one keeps track. The recognized authority on the subject, the Office of Interstate Land Sales Registration in the Department of Housing and Urban Development, says it hasn't the slightest idea of how many lots are sold each year, by whom, or for how much. Rumors put the total at $6 billion, which can return higher-than-average profits for the shrewd company. As Harold Berliner, the district attorney of Nevada County, California, said:

> The total price of lots in one of these promotions can reach $50 million, and they can be sold out in a year or two. Representative promotional developers have stated that of this sum, one third is spent for the land, engineering, streets, water supply, sewers if required, country clubs, lakes, etc. Another third is spent on advertising and sales. . . . The last third is profit.

It comes as little surprise that not just anyone is eligible for slices of this profitable pie. To get a healthy piece, companies must meet the financial and technological requirements. Roughest of these is the cash needed for initial investments. "Front-end cash requirements for new towns can be stiff," says *Business Week*, "even for large corporations." The companies must also be able to plan years

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Here at Ocean Pines, you're sure to find the complete vacation spot you and your family have always dreamed of. A place where you can get to know each other better. A place that can only bring you closer together. A fun place to share. A private place to relax without a care. And the clubs' memberships are reasonable. Equal Housing Opportunities.

into the future, to divide the labor up into minute parcels, and to command the appropriate degree of political respect. Those who can meet the tests—ITT, Republic Steel, Weyerhauser, Standard Oil of California, American Electric Power Company, plus land development specialists like Horizon Land Corporation, GAC Properties, Cavanaugh Communities, and the General Development Corporation—can bite into the pie.

Boise Cascade was a relative newcomer to both the real estate field and the ranks of corporate giants. Once a small company locked into the lumber business in the late 1950s, Boise rode the merger movement into pulp and paper, plywood, packaging, building materials, office supplies, and the distribution of these products all the way to the retail level. It has moved into engineering and construction services—factory-built houses, on-site houses, mobile homes, and urban development.

By 1969, Boise's sales exceeded $1 billion, and the company ranked 55 on *Fortune*'s list of the 500 largest American corporations. In 13 years, the company had grown 30-fold, consummated 33 mergers, and compiled a phenomenal annual growth rate of 33 per cent. In recognition of his achievements and status, Boise top executive Robert Hansberger was selected in 1970 to serve on the President's National Industrial Pollution Control Council.

With its eye on the trends, in the mid-sixties Boise moved into the "leisure-living" business—the market for recreational communities. By 1969 its sales of recreation products, including resort land, amounted to $209 million—about 12 per cent of the company's sales. Boise had 26 projects underway in 12 states in 1969—nearly double the total of one year earlier. It tilled the soil and promoted the resort houses for Ocean Pines in Maryland, the Hideout in Pennsylvania, Woodridge in Connecticut, and Incline Village on the shores of Lake Tahoe. At its 12 projects in California, Boise had, by 1970, chewed up 63,000 acres (about 100 square miles).

Brothers Under the Skin

Like the other big companies who have entered land development, Boise discovered that the rules of the old tin-shack huckster are remarkably similar to the dictates of modern

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business. The huckster stuck to one iron principle: buy low and sell high. For the corporation, the words are different but the result is the same. The corporate analyst sees two variables: the cost of preparing the homesites, and the returns from sales. By manipulating each of these, he ends up buying low (putting not one extra penny into the sites before they're sold) and selling high (devising sales pitches that will loose hordes on the sales office). The crucial target—the end of time as far as the company is concerned—is the sale. After that, it's on to another tract.

This philosophy can lead to some amusing before-and-after comparisons: A promise of paved streets brings dirt roads, a promise of access to a lake brings a title dispute, a promise of a dam and a lake may bring a dam and a lake—by 1980. Boise's golf course at Lake-of-the-Pines, designed for profit, not golf, would bring Jack Nicklaus to his knees; one group of pros needed seven hours to tour 18 holes, losing six to 12 balls apiece. Boise's development at San Pedro, California, offers water to any lot owner lucky enough to find it at the bottom of a deep and expensive well.

Troubles, troubles: there is always the chance that this delicate financial equation may be upset by a local government. Who can tell when the Main Streeters are going to overhear one of the pre-sale promises, or be suspicious about the project from the start? To make sure that these non-business uncertainties don't interfere with the smooth business calculations, companies like Boise divert some of their manpower from selling the lots to buying the government, or at least to influencing it to listen to reason.

The major development decisions are now being made by backwoods boards that are hopelessly ill-equipped. A few years ago, most major real estate development took place in the urban centers, whose governments were forced to acquire a semblance of competence. But when developers moved to the sticks, they found the going easier. The smooth techniques of the real estate developers come by Lear jet to a political system more accustomed to wandering livestock, isolated junkyards, and real estate men with tested reputations.

The local planning commission or county commissioners ruling on a recreational development usually will be making the most important decision of their public lives. They must, after all, decide whether a city is to be built, and, if so, to what specifications. Decisions must be made about sewers or septic tanks, water pipes or wells, a million-dollar bond or a promise, utilities above ground, underground, or maybe in the future. So, too, with storm drainage, roads, fire, police, and school services, building restrictions, public access to amenities, disclosure requirements for lot buyers. State and federal laws intrude occasionally, but the big play is in local hands.

The legal system for land-use planning, born in a different age, presents few barriers to the smooth-talking lawyer, with his multi-colored charts and stable of experts. The process begins—and often ends—with a 40-minute slide show before the planning commission, typically composed of a real estate salesman, a bank clerk, and perhaps a former president of the local League of Women Voters. The law usually says that a rezoning request will be granted, or a planned unit development approved, where compatible with "the public interest" or if "in consonance. . . with the purposes of this ordinance" or some such phrase. The question boils down to whether the planning commission thinks the developer ought to go ahead. Typically, everything is informal, with no disclosure of documents the applicant wants to suppress, cross-examination of witnesses, or notice about what evidence will be weighed. Twenty years hence, when lot-owner Smith sues lot-owner Brown for polluting his well water with a septic tank, all will be conducted

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according to formal procedures. Not so where the decision is whether to allow 5,000 septic tanks to pollute 5,000 wells.

Magic Lantern Show

This process calls for no firm plan—it calls for a 40-minute slide show. It invites promises of economic benefits. It requires making friends with the commissioners, buttering up the local editor, joshing with the Chamber of Commerce. This is what Boise did best. You keep the options open: if the planners demand sewers, you promise sewers; if they're worried about what the dams will do to the fish, you promise to protect the fish; if the marina looks a little too big, you promise to make it smaller; if somebody has heard of eutrophication, you say that it can't happen in your company's lakes.

Let's pause for a bit of reminiscence, a slide show Boise presented to the planning commission of Kitsap County, Washington. At issue was the propriety of going ahead with a recreational development to provide homes for 20,000 people.

The show takes 40 minutes. There are shots of the area in its natural state, many of them taken from a helicopter, contrasted with multicolored plans for its development: Here is a picture of morning frost on the edge of ponds, there is one of the beautiful Olympics [In other shows substitute Poconos, White Mountains, Rockies, etc.] looming in the background. Here will be the golf course with a club house, a teen center, and a dance bandstand. "There would be a boathouse located at this point that would have a lounge, boat service area, and clean, well-lighted, heated restrooms. . . . This shows a number of parks and open spaces that we tried to design in the project." There would be a big dam and some lakes. "We believe that we would be able to develop all the potable water from wells." There would be a "private fire department." "We propose that the road system be private." Are there any questions

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from the Commission? A few, and then this exchange with Boise's Bob Johnson:

Mr. Richards: What projects of this nature, this size, have you undertaken, you and the company, and where are they located?

Mr. Johnson: Me as an individual?

Mr. Richards: As a company then, as a representative of the company.

Mr. Johnson: Well, at the present time this is going to be the number one nicest thing that we intend to do.

Mr. Richards: We should be complimented.

Mr. Johnson: And one I can think of—of course, I am from down California way and one that I am thinking of is Incline Village. Another one is Lake-of-the-Pines. I know that we have some back in around the Chicago area.

Mr. Richards: What about the size?

Mr. Johnson: Nothing of this size. I would say Incline Village.

To raise the already-high odds for a favorable hearing, many companies find that the time spent manuring the city-council fields yields good returns. A pattern emerges from data collected by a Nader task force "Land and Power in California:"

One local D.A. was hired by Boise to handle a water problem in an adjoining county; a county planning director was hired off the public payroll by Boise Cascade midway through a development project; the mayor of a North Coast city is also Boise's public relations man for the area and two of the five-man city council work for Boise and a third depends upon it for his business; in another area, the Boise task force patronized the hotel and restaurant of one of the county supervisors, who also received free advertising in the company newspaper; in another county, the head of a project which was purchased by Boise saw fit to take out a $40,000 life insurance policy from an obscure mid-Western company, through its local agent, one of the county supervisors, while another supervisor was awarded a sizable campaign contribution and yet another was graced by the project's purchase of three automobiles from his local dealership. . . .

This partnership between business and government means that planning for "governmental" relations becomes an ever more dominant corporate objective. W. L. Mills, Boise's director of governmental affairs, admitted to devoting 25 per cent of his time to helping candidates seek elective office: "If I can help get good people elected to office, I don't have to baby-sit them. But I can get in to see them if I have to. In any case, they will make the best decisions without any arm-twisting. In the long run, Boise Cascade will benefit most from this policy." In another era Mills could have come out and said that what is good for Boise is good for the United States.

With these preliminaries out of the way, the game of beat-the-clock begins: trying to unload the acres before the plaster falls off the sales office walls, the customers ask about those promised sewers, and the local aldermen think again about what's going on in their town. Like the other development companies Boise recruited a crack sales team, drilled them in the best hard-sell tactics, and rewarded its aces. Commissions ran as high as 20 per cent, though 12 to 14 per cent was more common. *Developments*, the corporation's sales magazine, reported on a training film for salesmen made with the cooperation of the late Vince Lombardi, coach of the Green Bay Packers and the Washington Redskins. His dicta for success: "Control the Ball. Mental Toughness Is Essential. Fatigue Makes Cowards of Us All." Read the sales manager's message to headquarters announcing that the Lake Wildwood lots had been sold out: "Mission accomplished. Wildwood is dead. Where do you want us next?"

One Born Every Minute

The sales psychology relies on two basic urges: the urge to live in the beautiful wilds and the urge to get rich. The realities of things being what they are, no one puts much hope on the first pitch. The people who intend to live on their bit of Boise land are often dissuaded when they actually see it. But the speculator persists

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where the homeowner is defeated. With the stock market acting sickly and inflation devouring the dollar, even a weed-covered parcel of the desert may look like a good investment.

While Boise formally rejected the speculative sell in 1970, its early Lake-of-the-Pines ads stressed that "the first investor makes the most." And, of course, Boise is the first investor. Boise's ads for Circle XX Ranch were designed to make even the most cautious householder feel he's throwing his chances away:

YOU CAN'T BUY A BAD PIECE OF REAL ESTATE IN CALIFORNIA. . . . The State Board of Equalization states: California property increases in value $1,000 every single second (In the time it took you to read the facts on this page, California Real Estate has appreciated in value by $1,000.)

Under the circumstances, the company's promises about lakes, parks, green belts, and beaches were not the syrupy song of a builder of cities luring future residents. They were, instead, a speculator's come-on to the next eager speculator. Since the buyer has no intention of living on his property, this is just another reason for withholding the investment that would make it livable.

All that's missing from these pictures of a rosier tomorrow is someone to buy the house from the speculator who bought it from Boise. As Joseph Timan—whose Horizon Land Corporation lures buyers in with ads screaming "You Can Make Money Even If You Can't Spell Albuquerque"—told a group of financial analysts, "as yet, a secondary market has not been created for the sale of these properties." And there is a lot of slack to take up before today's buyers can sell.

The state of New Mexico, it is said, has subdivision roads that, strung together, would go all the way to Mongolia; there are enough lots to house eight million people, not bad for an area with an expected statewide population by the year 2000 of 1,336,000. Nevada County, California, has lots enough to last 400 years. Boise spokesmen admit the building rate at its developments may be only one or two per cent a year. Experience proves it: Lake-of-the-Pines has 1,944 lots, 1,300 acres—and 100 houses. Ranch Calaveras has 3,600 parcels, 5,200 acres, and nine houses. Diamond XX Ranch, with 190 lots on 4,000 acres, has a single structure, the former sales office converted into living quarters. Bar XX Ranch, with 230 parcels on 5,000 acres, has one house—owned by a former Boise executive. You can get rich quick, all right, if you don't mind waiting a century or so.

Tough Luck, Boise

Up to a point this unbeatable combination of low investment, quick sales, and high profits was doing precisely what the predictions said it would. But somewhere along the way Boise came unmoored, lost the caution which has made the other companies cover their flanks, started reaching for slices too big to be decorously devoured. The accumulation of hurts was gradual but telling. The company merged with trouble back in 1967 when it took over United States Land Corporation, which was the predecessor of Boise's land development division, now known as Boise Cascade Recreation Communities Corporation. U. S. Land had problems, and some of them carried over to Boise. There was, for example, that unfortunate incident during the summer of 1967, when a U. S. Land subsidiary, along with Bob Onorato, was indicted by the Nevada County, California, grand jury for misleading advertising in connection with land sales. It seems that Onorato, who stayed on for a while after the merger to become a Boise vice president, ran a newspaper ad declaring, "There are no assessment bonds [and]. . . all improvements will be installed and paid for," although a $950,000 water district was to be paid for by assessing lot buyers at a rate of $32-40 a year for some 25 years. The

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case ended with a plea of no contest. Onorato got a two-year suspended sentence.

One misstep by a single executive does not a course of criminal conduct make. But after a while, the accumulation of anecdotes conveys the flavor of the operation. Disgruntled officials, disappointed lot owners, and investigative sleuths ganged up on Boise.

Read the reports as they trickle in. New Hampshire's State Planning Director: "If we hadn't stepped in they would have been dumping that refuse from the 5,200-acre development into the lakes." Director of the Torrington, Connecticut, health district: "I am endeavoring to get the real estate commissioner to lift their license to sell, as the sewerage problem solution is very dim and far in the future if at all. They, however, continue the big sales and TV push." The California attorney general's office: "This firm [Boise Cascade] has developed a number of subdivisions in California of a highly speculative nature which have received the attention of local authorities because of misrepresentations and lot-owner dissatisfactions."

Ignoring officials who still have some bite can hurt. On October 12, 1971, California brought a major action against the Boise land sales subsidiaries, and requested an injunction against fraudulent sales tactics at several projects. The state won a temporary restraining order, only to return to court charging continuing misrepresentations by salesmen. Private suits were soon to follow.

Boise met this novel challenge by resorting to an ancient technology—deceit. Misrepresentations about the case were liberally distributed to critical groups—the press, the company's lot owners, and the shareholders. Minimizing the business risk was the aim.

One Boise press release reported the trial court as holding "void" several of the state's claims, but forgot to mention that a sweeping injunction had been entered. That ruse brought a few helpful headlines—"Boise-Cascade Suit Tossed Out of Court"—but didn't bring relief from the company's legal difficulties.

Calm Down, Boys

The dread of thousands of buyers coming unstuck from their commitments called for aggressive action. Boise's 35-40,000 lot owners in California were blessed with a message of concern "that the adverse publicity being generated may have a harmful effect on the value of the property you have purchased. . . . We will do everything we can to prevent that from happening," they said, "but your help is needed." Enclosed for inspiration was a copy of a *San Francisco Chronicle* column by financial editor Sidney P. Allen, reciting the company line about "Who's Hurt By Class Actions." (Some of Allen's other work has found its way into Boise's sales kits.)

President Robert Hansberger himself wrote to the shareholders to quiet their concerns with a list of deceptions, including a claim that the company did not oppose a court restraint "since our policies clearly prohibit unlawful and improper practices." (Boise's non-opposition is recorded in over 10 pages of formal objections.) Mr. Hansberger told the shareholders that "less than one half of one per cent" of Boise's 30,000 property owners had joined as plaintiffs, but forgot to tell them that named plaintiffs are hardly indicative of the number of complaining lot owners, and he didn't tell them how many complaints Boise had received. (The California Attorney General has over 500 complaints, and he says "it is reported that hundreds or even thousands of lot purchasers have complained to private attorneys, Boise, other district attorneys, and the Department of Real Estate.")

And Hansberger didn't send the shareholders a copy of another internal company memorandum depicting intolerable conditions at the

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Ranch Calaveras project:

The real question that has to be answered is [whether] Boise... is going to budget appropriate funds to complete its legal obligations and some moral responsibilities to the Ranch Calaveras property owners, which are long overdue, by completing the construction of roads, utilities, and amenities with the same vigor with which the 3,600 M/L lots were sold, or are we going to continue the fire fighting as it arises to temporarily satisfy the governmental agencies and property owners."

Crash

By the end of 1971 *The Wall Street Journal* was reporting "Boise Cascade, One Time Wonder Company, Loses Wonder, Investors and Profitability." Many of Boise's problems stemmed from its land-development fiascos: costs were up, sales down. The sheep who sit on land-use boards or other agencies and the suckers who buy the land were displaying considerable resistance to supposedly foolproof corporate planning. One lakeside project was abandoned in the face of an attack by those disenchanted with the idea of 1,300 new septic tanks draining into the lake; development costs at another soared to more than 50 per cent of the project's market value; still another project got a go-ahead to develop with septic tanks, then was forced to come up with $6 million for a sewer system. Fraud made its first official appearance in May, 1972, when a California jury hit Boise with a $500,000 verdict for punitive damages arising out of misrepresentations on sales at the Klamath River Ranches project in northern California. (The court later set the verdict aside as being excessive.)

When the shareholders desert, the corporate ship is approaching the shoals. In June, 1972, the shareholders of one of Boise's merger victims joined the bandwagon by filing suit against the company and its accountant, Arthur Anderson, charging a long list of fraudulent activities. The plaintiffs were not pleased that the value of a Boise share they got for their previous property on November 3, 1969, had plunged from $74.50 to $13.00 by June, 1972. They pointed out that Boise had lost $40 million on its land operations. They charged phony accounting, suppression of fact, seat-of-the-pants investment, and something else: "The practices and business methods followed by Boise in the development and marketing of its recreational properties were improper, fraudulent, and false, as a consequence of which Boise was, at the time of the merger, and remains, exposed to substantial civil liability with the possibility of recision of [the] land sales." It was "foreseeable," plaintiffs charged, that fraudulent practices "would materially impair Boise's business and its ability to market its recreational properties to the public."

As if in confirmation, Robert Hansberger followed with a stunning announcement that Boise was considering a $200-million charge against income (one of the largest single corporate write-downs in recent years), mostly in anticipation of a withdrawal from the recreational land business. The haunting refrain of the company advertisement was heard: "Boise Cascade does more than develop recreation communities. We stay around to see what develops."

It would be comforting to conclude that Boise's downfall proves the old morals: haste makes waste, crime doesn't pay, and the company that reaches too greedily for the goods may get its fingers smashed. But if we believe that, why not believe that Boy Scout posters prove that youth is noble, or watch *Love Story* and believe its problems reflect those of our friends? There is, still, more modest consolation in the Boise story. When so many big crooks slip through an accommodating government net, when the public endures Wonder Bread and car insurance, it is cheering to see that, at least one time, the ploys didn't work and the hucksters got caught. ■

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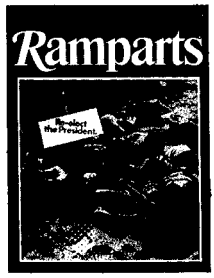
AN ADVERTORIAL

"New Left publications like *Ramparts* wage a kind of holy war on authority...



True. The trouble is that it has been a war without allies. *Time*, and virtually the rest of the mass media supported another war, the unholiest of this century, in Vietnam. Armed with vast resources, hundreds of reporters, and access to people in power with information, the establishment press failed us and betrayed an obligation, sacred to the press, of doubting and questioning. If this is the free press in action, who needs a government censor? But lest we be accused of taking *Time* out of context, here is the rest of what they said about us in their April issue:

...though they are often inaccurate."

Time Magazine, April 3, 1972

Accuracy. Our record on the major issues of the day is clear. When *Time* and most of the other magazines in the country were uncritically—but "accurately"—printing government propaganda about Indochina, we were diagramming the steps by which America became bogged down in this disaster. In 1965 we showed how the CIA and Michigan State University got the U.S. involved in Vietnam. In 1967, we demonstrated how the CIA had cynically subverted the National Student Association and a broad range of other domestic institutions. In 1968, we described the CIA's manhunt resulting in the execution of Che Guevara and were the first to publish the Guevara Diaries. In May, 1971 we were the first to tell the story of how the CIA's involvement in the opium trade in Indochina led to an heroin epidemic here at home.

In our ten years as a national magazine, Ramparts has gambled. And it has paid off—for us and for the whole country. It would be accurate to say that we brought muck-raking journalism back to an America that was sadly in need of it, and by so doing advanced the political consciousness of the country. It is a tradition we're proud of; it is a continuing tradition.

Take the last few months for example. In our August issue, we published the startling memoirs of a man who had worked for years as an analyst for the National Security Agency. This story made front page news in papers all across the country and opened a window onto the global mission of the most powerful (and until then, most anonymous) agency in the U.S. espionage network. Our October issue featured a report by David Landau on the Nixon Administration's diplomacy of terror—the secret diplomatic messages to Henry Kissinger which show that the dikes are being systematically destroyed in North Vietnam. Our current issue, November, contains "The Rand Papers." With the help of Anthony Russo and David Landau, we tell the story of "the secret study" of the NLF conducted by the Rand Corporation, on which the U.S. air war has been based.

We will continue to search out the important stories that take place behind the scenes. And we want you to join us. Try this experiment: read *Time* for awhile for an accurate account of what the government says is happening; then read *Ramparts* to find out the truth.

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Normally we offer new subscribers a special rate of $6 for ten introductory issues. But we've got a better offer—a year's subscription (regularly $9.50) and this important new work, *Kissinger: The Uses of Power* by *Ramparts* contributor David Landau ($5.95 at bookstores)—both yours for $9.50.

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Class Action: A Way to Beat the Bureaucracies Without Increasing Them

by Philip Schrag and Michael Meltsner

In May, 1969, after General Motors had received more than 200 complaints of wheel failure on 3/4-ton Chevrolet and GMC truck models sold between 1960 and 1965, the company sent an "advisory" to 200,000 truck owners warning that the defective wheels constituted a "serious safety risk." GM urged prompt replacement —at the owner's expense. Company executives must have chuckled over that one: no truck owner was likely to sue the auto giant, because a lawsuit would cost more than the $500 required to put safe wheels on a truck.

But GM was in for a surprise. Two California truck owners did sue to force the automaker to pay for the new wheels. They claimed that GM was not only obliged to make *their* trucks safe, but to replace the wheels on all affected vehicles, at an estimated cost of $97 million. Shortly after the suit was brought, GM agreed to offer free wheel replacement to 40,000 of the truck owners.

Philip Schrag and Michael Meltsner teach law at Columbia University.

The lawsuit against GM, which is now going forward on behalf of the remaining 160,000 truck owners, is a class action, a type of super-lawsuit that consumer groups see as their ultimate weapon against business. In the usual lawsuit, individuals or corporations assert their own legal claims. In a class action, on the other hand, one person is permitted to sue for himself *and* as the representative of every member of a large group of injured persons.

By permitting thousands or even millions of similarly harmed individuals to combine their claims in a single lawsuit, the class action turns the economics of litigation upside down. People who are swindled by fast-talking salesmen or who buy shoddy merchandise usually have legal claims for amounts ranging from a few cents to a few hundred dollars. Only large business organizations that can spread the costs of collection over a large number of cases, and then pass these costs on to their customers, can afford to sue for small amounts of money. Most individuals never seek to enforce

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their rights, because the costs of employing a lawyer, paying court fees, and hiring stenographers or investigators swallow up, or even exceed, the eventual recovery. Only those few who know their rights and who sue as a matter of principle (even though it costs them money) or are willing and able to represent themselves in a small claims court, will bother. As a result, the costs of consulting lawyers and engaging in litigation have operated in the past to deter suits and to subsidize businessmen who sell defective goods, overcharge, or misdescribe their products. Because the legal system does not provide an economical remedy for the little man, manufacturers and retailers have no financial incentive to abandon illegal practices. Victimized buyers and the public in general, rather than erring businessmen, pay the penalty for poor workmanship and deceptive selling.

The class action reverses the pattern. If the claims pressed by the consumers who sue are proved unfounded, no further lawsuit can be brought by any of the class members, but—and this is the heart of the matter—if the representatives win, every member of the class is entitled to recover from the losing party. When a group of buyers sues together, court costs and attorneys' fees are paid from the gross recovery due to the class. Mass violations can be corrected by a mass remedy.

In 1967, for example, the Montgomery Ward mail order company offered to sell life insurance to its charge customers. Although the solicitation asked customers to check a box on their bills if they wanted the insurance, the company also billed insurance charges to customers who did not check the box. No one customer misled by Montgomery Ward could have economically sued the store for a refund of the few dollars involved, but Robert Holstein of Chicago filed a class action on behalf of himself and all other Ward charge account customers, most of whom did not even know that they had been tricked. The court rejected the company's argument that those who paid the extra charges must have wanted the insurance even though they did not check the box and ruled that the billings were illegal. The store stopped the practice and gave credits totalling $595,884.75 to 111,465 customers.

While class actions by consumers for huge amounts of money damages were rare until the consumer protection movement burst into bloom in the mid-1960s, the technique of resolving many legal claims in a single lawsuit has a long history and many uses. The Supreme Court's 1954 school desegregation decision (*Brown v. Board of Education*) was a class action brought by a handful of black students and their parents on behalf of black public school children in Topeka, Kansas, and class actions remain an important civil rights weapon. According to veteran NAACP Legal Defense Fund (LDF) lawyer James M. Nabrit, III, "Class actions are absolutely essential to civil rights enforcement for they enable us to assert the rights of an entire black community in a single lawsuit. We use them to collect damages for thousands of black workers who were kept from advancement by discriminatory seniority arrangements and job tests. It would be impossible for LDF to hire the lawyers necessary to represent each of these employees individually."

Beating the Brokers

The landmark 1962 voting decision that signalled the Supreme Court's entry into the area of legislative reapportionment (*Baker v. Carr*) was also brought as a class action. A group of Tennessee voters asked the federal courts to order a fair allocation of state legislative seats on the basis of population. When the voters who went to court prevailed, they won a complete statewide reapportionment that substantially equalized the weight of all votes throughout the state—not just a court order increasing the value of their individual votes.

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Class actions have also been used to define the rights of large groups of welfare clients, ghetto residents threatened by illegal police searches, and convicts challenging harsh prison regulations. Businessmen, too, have gotten into the act. Retailers suing their suppliers for price-fixing and small investors claiming damages for securities manipulation or stock fraud have routinely brought class-action suits.

One well-known suit, which the courts have ruled a proper class action, was brought by Morton Eisen, a small investor, against the two brokerage firms that handled 99 per cent of all sales and purchases of "odd lots" (fewer than 100 shares) on the New York and American stock exchanges. Eisen claimed that the firms conspired to set unreasonably high fees for this type of transaction, and he sued not only for the $70 he estimated as his own damages, but for refunds to approximately four million other "odd-lot" buyers.

As long as class actions were brought by small companies, investors, or civil rights groups, the business community grudgingly accepted them. But once the consumer protection movement began to use the device, class actions suddenly became highly controversial. Business opposition hardened further when environmentalists sought billion-dollar recoveries to compensate the public for damages suffered because of industrial pollution. To date, the environmental cases have provided more bark than bite. Everyone suffers from dirty air and foul water. The consequences of awarding damages to the public at large are such a serious threat to the stability of the national economy that most of these cases have been laughed out of court.

As a result, conservationists have downgraded the importance of the class action for damages. Not so, consumer spokesmen. For four years, Representative Robert C. Eckhardt and Senator Warren Magnusen have been pressing for passage of a bill to liberalize the class-action procedure, and have provoked the combined opposition of the Nixon Administration and virtually every industrial organization in the country. The list of those working to prevent expansion of the class-action remedy reads like a "Who's Who of Big Business," including, among others, the United States Chamber of Commerce, the American Retail Federation, the National Retail Merchants Association, the Grocery Manufacturers of America, the National Canners Association, the Association of National Advertisers, the Gas Appliance Manufacturers Association, the Association of Home Appliance Manufacturers, and the Electronic Industries Association. After watching the copious flow of paper and lobbyists in and out of the Senate office building, the legislative assistant of one senior senator was led to comment that he had not experienced such concerted opposition to any bill in half a decade.

Enlightened Self-Interest

The reason for the intense opposition of these groups is perfectly understandable. Class actions threaten to provide consumers with muscle. Business never opposed consumer protection legislation as long as there was no chance that the legislation would get more than token enforcement. The trickle of appropriations to such agencies as the Federal Trade Commission ensured that few businesses had cause for concern. The class-action device, on the other hand, is a direct remedy; it relieves the citizen of the arduous burden of persuading or forcing a harried and underfunded bureaucracy to act on his complaint. He merely finds a lawyer willing to accept his case for a share of the aggregate recovery (contingent on success, as in an automobile accident case) and marches off to court.

New class-action legislation is needed, particularly for consumer class actions, because consumer rights (unlike those of minority groups or

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most business competitors and stockholders) are usually based on state, rather than federal law, and suits to enforce them must be brought in state courts. While every state has a law that theoretically allows the bringing of class actions, only California and Illinois have encouraged them, and in many states the courts have interpreted class-action statutes in so meager a way as to render them useless. In New York an appellate court recently held that Macy's charge customers who had been cheated by the store's computation methods could not sue as a class; each customer would have to bring a separate suit for a refund. One of the judges who ruled on the case described the class action as "an idea whose time may have come, but perhaps unfortunately, not in the courts of the state of New York."

The law proposed by Eckhardt and Magnuson would enable consumers to sue in the federal courts, which have traditionally been much more hospitable to class suits than have their state counterparts. The Eckhardt bill, for example, permits federal court class actions for mass violations of any state law, provided that each class member has at least $10 in claimed damages. As all states have laws that entitle consumers to refunds if they have been misled or have bought defective merchandise, multiple abuses of consumers would normally become the subject of federal class actions.

So far, the Nixon-business axis has squelched the bills. At first, however, the Administration was divided on the legislation. Virginia H. Knauer, the President's Special Assistant for Consumer Affairs, testified that she "wholeheartedly support[ed] the principle of consumer class actions set out in [Congressman Eckhardt's] bill." But then Mrs. Knauer was instructed to report to Peter Flanigan, who emerged during the ITT controversy as big business' man in the White House, and she quickly changed her mind. With her vocal concurrence, the Administration sponsored its own class-action bill, one that would bar consumers from federal courts until the government had sued the offender and had won its case. Richard McLaren, the Assistant Attorney General who settled the ITT case, defended the proposal as "an essential filter" to prevent trivial suits. But it is rare—perhaps unprecedented—for a private right to sue to be conditioned upon a successful government lawsuit.

A Long Wait

Unfortunately for consumers victimized by a company, this governmental "trigger" might never be activated; either budgetary constraints or political pressure could prevent the government from starting its own case. Even if the government wanted to bring its own suit, it might be years before it won a legal victory. The average contested case brought by the Federal Trade Commission, for instance, takes over four years from the agency investigation until the hearing examiner's decision, and much longer if the company exercises its right to numerous appeals.

The Administration defends its requirement of a governmental filter as needed "to prevent large numbers of harassing, 'strike' suits, initiated more for their settlement potential than for their merit." Unscrupulous attorneys, the Justice Department argues, will bring unjustified class suits against big companies in the hope that even the threat of recovery will force some corporations to agree to a partial settlement for the consumers and a fat counsel fee for the lawyers, rather than facing the risk or the expense of fighting the case in court. Echoing this view, Milton Handler, a prominent New York antitrust lawyer, views the class action as "legalized blackmail." "Defendants, faced with massive class actions, will invariably choose to settle rather than litigate," says Handler. "The only significant issue becomes the size of the ransom to be paid for total peace."

Class action proponents concede

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that some unwarranted suits will be filed. One of the over-ambitious cases brought by environmentalists purported to be a class action on behalf of 125 million residents of the United States, claiming $375 trillion in damages resulting from General Motors' alleged suppression of pollution control devices. The court quickly threw out the case, saying that "this is not a lawsuit; it is a parody of that device, perhaps designed to obtain public attention."

But supporters of the class action say that frivolous class suits will be exceptional, and point to their rarity in securities and antitrust law, where class suits have long been used, and to the good record of consumer class actions in California and Illinois. The courts, they say, keep close watch over class actions. Before one can be maintained in federal court, a judge must find that the representative parties will fairly protect the interests of the class and that the case fits into a complex formula which, in practice, gives the judge great discretion to throw out unfounded complaints. The hundreds or thousands of members of the class must be notified under court supervision of the case and given a chance to "opt out" of it and sue alone. In addition, class members are notified of any settlement. Class action advocates also maintain that court disciplinary panels and bar association grievance committees are adequate to deal with misconduct by lawyers; the rights of consumers should not be denied because an occasional attorney acts unethically. Federal District Court Judge Jack B. Weinstein, who has written extensively about class actions as well as decided his share of them, views the "strike suit" problem as minor: "The trial judge may use his discretion to reduce the effect to a limit which, when balanced against the social advantages of class actions, is tolerable."

The critics of consumer class actions also claim that it will often be impossible to redistribute a class recovery to the affected consumers because most cash customers (unlike the credit purchasers in the Montgomery Ward case or the truck owners in the GM action) cannot be identified or located. The Supreme Court of California recently approved a creative solution to this problem when it allowed David Daar, a Los Angeles lawyer, to sue the Yellow Cab Company there on behalf of all riders. Daar claimed that the company had set its meters to register fares at unlawfully high rates. Of course, it was impossible to know who had ridden in the taxicabs, or how much any particular rider had been overcharged, so the company agreed, in a settlement stipulation, to set aside $1.2 million; fares for current passengers will be reduced by a percentage for approximately nine years until this fund is exhausted. While present taxi riders will not overlap precisely with those who were cheated in the mid-1960s, the illegal profits will go to a fairly similar group of riders rather than be retained by the company.

Avoiding the Bureaucracy

Despite such problems, consumer spokesmen and groups such as the Consumer Federation of America regard federal class-action legislation as their most important goal in the 1970s. They reason that understaffed and underfunded government agencies will continue to be unable to handle the millions of consumer complaints that arise every year and, therefore, that passage of legislation granting new consumer rights will aid only those few consumers who can sue. "Consumers have a wide variety of rights which they cannot really exercise," complains New York City's Consumer Affairs Commissioner, Bess Myerson. "Most disputes between merchants and individual consumers involve less than $300. But the law is often hypocritical; it tells [the consumer] to spend thousands of dollars on a lawsuit to recover hundreds of dollars which he lost in a swindle."

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The "get-your-money-back" appeal of class actions, however, is not the most significant advantage to the public claimed by class action proponents. They argue that the threat of multi-million dollar lawsuits will induce industry to abandon shoddy production and merchandising techniques. "At least 95 per cent of illegal consumer abuses are never judged to be such by our legal system," claims Ralph Nader. "The arm of the law never reaches these abuses, thereby permitting an overworld of corporate crime which reaps billions yearly from the defenseless consumer." Nader argues that the use of class actions to enforce consumer rights will deter this crime and stimulate companies to comply with the law.

Besides redistributing large amounts of money from swindlers to victims and forcing companies to scrutinize their own practices more carefully, class actions could potentially enlist a new army of lawyers in the cause of consumer protection. The private bar has remained largely aloof from the consumer movement, its involvement unencouraged by any financial incentive. If Congress, however, authorizes consumer class actions, many lawyers will welcome the business of even poor clients, for legal fees in such cases will be allocated to attorneys from the total damages won on the basis of the lawyer's service to the entire class. If the consumers lose, the attorneys will have worked for nothing, but often the stakes are high enough to make the gamble worthwhile. In antitrust and stock-fraud class actions, for example, the courts have typically awarded large fees to attorneys who have successfully represented an entire class; lawyers who procured $17 million in refunds from the Illinois Bell Telephone Company received a $1-million fee for their efforts. If, as seems inevitable, no-fault insurance becomes a reality, lawyers who now thrive on automobile accident cases will be looking for new lines of work, and some will probably be tempted by the prospects of substantial legal fees to work for consumers.

Tired Burger

The increased litigation of consumer claims that attracts Myerson and Nader has also provided class action foes with their most effective argument. Chief Justice Warren Burger raised the issue in a rare commentary on pending legislation made in a speech before the American Bar Association: "Not a week passes without speeches in Congress and elsewhere and editorials demanding new laws—to control pollution, for example, and new laws allowing class actions by consumers to protect the public from greedy and unscrupulous producers and sellers. . . . I can do no more than emphasize that the Federal court system is for a limited purpose. . . . People speak glibly of putting all the problems of pollution, of crowded cities, of consumer class actions and others in the Federal courts. We should look more to state courts familiar with local conditions and local problems."

Class action supporters reply that it is better to enlarge the court system than to deny cheated consumers the right to recover millions or even billions of dollars. "Yes, class actions might add to the burdens of the court," concedes the Senate Commerce Committee, "but the answer, in a democracy, cannot lie in the denial of citizen access to the courts. If we need more judges, we should have more judges." Judge Weinstein, among others, discounts the fears of the Chief Justice. "Based on personal experience and observation of federal judges. . . I cannot yet conclude that the workload of federal trial judges has reached a level which can fairly be termed unreasonable or that cannot be dealt with by modest expansions of personnel. . . we still find time to prepare and deliver speeches, to attend conferences, and, as evidenced by the proliferating volumes of reports rapidly overwhelming the few remain-

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ing shelves in our libraries, to lend the weight of published opinion to our decisions."

Nevertheless, aside from industry objection to giving consumers any really big stick, Burger identified the real problem with the class action and the source of much of the judicial hostility encountered by lawyers who use it: a fear that federal judges will be overwhelmed by the pressures of attempting to dispense justice to everyone who has a small monetary claim. Judges resist the class action because they fear increased numbers of suits from persons who would not ordinarily sue, and they fear the complex management problems of deciding whether thousands of persons will or will not recover enormous aggregate sums—claims so large that an adverse decision may destroy the profit margin of a large corporation.

These are real problems. Although many improvements have been made, courts have never excelled at managing the administrative and housekeeping details of their own courthouses, much less crowded dockets. It is at least arguable that a federal judiciary absorbed with the sorts of claims that arise between consumers, manufacturers, and dealers would be less sensitive to human rights.

Sophistication

Still, modern courts have been used successfully to resolve enormously complex cases in other fields of law. They decide antitrust cases which take years to prepare, require sophisticated market analyses, and generate transcripts of tens of thousands of pages. They rule on equally complicated patent cases involving records just as long and requiring intimate understanding of scientific and engineering concepts. They administer the distribution of huge estates to large numbers of people and have even supervised the operation of large corporations, such as the bankrupt Penn Central Railroad.

In 1972, all of the Democratic senators who sought the party's presidential nomination were co-sponsors of a strong consumer class-action bill; Senator McGovern also co-authored the McGovern-Hart bill to permit class actions against polluters. During the campaign McGovern made class actions a cornerstone of his consumer platform.

In view of the broad Democratic support for liberalized class-action legislation, eventual passage of a reform bill is likely, but far from inevitable. The fact that use of this particular device, unlike so many others, is not dependent on agency appropriations or bureaucratic action has caused it to attract the fervent support of those who distrust big government as well as big business.

The coming battle over class actions is well worth fighting. Benjamin Kaplan, a law professor who is considered the leading authority on such suits, has long insisted that class actions have the potential to "enhance the. . . opportunities of hitherto powerless groups." In a bureaucratized society most individual and corporate relationships are regulated by rules of some kind. As a Columbia law student put it recently, "In this society you almost have to become a lawyer yourself to be treated fairly, and that isn't right." Because it opens the courthouse door to people with small claims, the class action can be thought of as judicial populism, a device which, in the words of public-interest lawyers Edgar and Jean Cahn, is capable of "democratizing the rule of law."

To keep the little man with the little claim out of court may make life easier for federal judges, but only at the cost of closing off what many will think of as their only opportunity for justice. Individuals can survive the frustration—not every personal grievance is worthy of legal protection—but a society that systematically extends the promise of legal rights on the one hand while barring their assertion with the other is asking for trouble. ■

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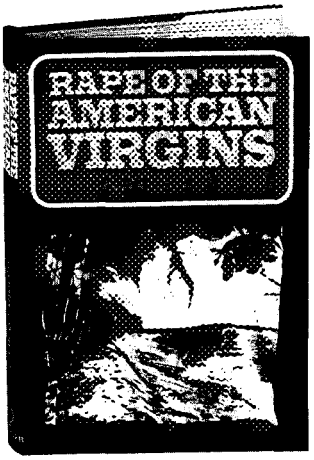

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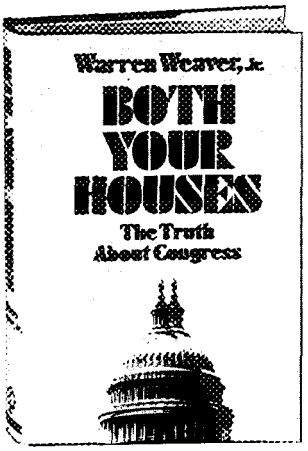
Proclaimed as the "American Paradise," the U.S. Virgin Islands are fast becoming an ecological hell. Beaches are being ruined, harbors polluted, reefs endangered, hills eroded, the indigenous population impoverished—and all by unplanned growth, myopic money-making, and uncontrolled tourism. Here's the *full, disgraceful story behind recent headlines—along* with the fascinating history of the islands and famous people connected with them. $6.95



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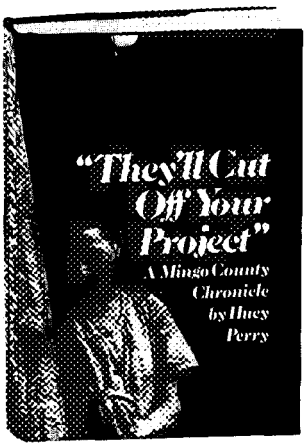
If democracy depends upon Congress implementing the will of the people, then we're in deep trouble, according to long-time *New York Times* Washington correspondent, Warren Weaver, Jr. Here is an "under-the-dome" report on the basic weaknesses in structure, ineffective procedures, erosion of ethics, clandestine activity, and much more that characterizes Congress today—even while the "civics book" myths persist. $7.95



"They'll Cut Off Your Project"

A Mingo County Chronicle

Huey Perry

The son of a West Virginia coal miner who became Director of the Economic Opportunity Commission in his native county gives this gripping, on-the-scene report of how the deprived folk fought for five years to gain control of their own OEO anti-poverty program. Entertainingly laced with local humor, it is a story of democracy in action as long-standing, corrupt political machinery is broken and the people shape poverty programs to their own real needs. "May well become a casebook of what really went on during those heady days of the War on Poverty."

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POLITICAL BOOK NOTES

Public affairs books to be published in November

The Age of Giant Corporations. Robert Sobel. Greenwood Press.

The American Heroin Empire: Power, Profits, and Politics. Richard Kunnes. Dodd, Mead, $5.95. Important new evidence on the familiar themes–heroin in the ghetto, the addicted army, the American pill-popping mentality that leads from Compoz to smack. The book would be even more convincing if Kunnes had just made xerox copies of his note cards; his tendentious, lecturing style makes it hard to concentrate on the facts. And occasional paranoid reasoning (the China Lobby skims the profit from the Asian trade; President Nixon owes the China Lobby a favor; ergo, Nixon is soft on the Laotian pusher) undercuts points which could be made more rationally.

American National Security Policy. Eugene J. Rosi, ed. Dodd, Mead.

American Society and Black Revolution. Frank Hercules. Harcourt Brace Jovanovich, $12.95.

The Anderson Papers. Jack Anderson. Random House, $6.95.

Angela Davis: The Making of a Revolutionary. J. A. Parker. Arlington House.

The Atomic Establishment. H. Peter Metzger. Simon & Schuster, $7.95.

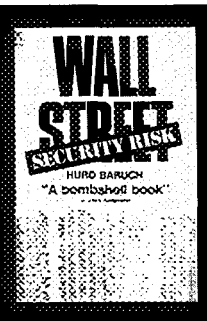
The Best and the Brightest. David Halberstam. Random House, $10. Why McNamara, Bundy, and company made all the tragic mistakes. The author is humorless, but otherwise this is an outstanding performance in every way. An important book.

Between Ideal and Reality: A Critique of Marxism and its Future. Svetozar Stajanovic. Oxford, $7.

The Book of Folly. Anne Sexton. Houghton Mifflin, $15, $5.95.

The Book of Presidents. Tim Taylor. Arno Press/Random House, $12.95.

Bureaucracy and the Public: A Reader in Official-Client Relations. Elihu Katz and Brenda Danet. Basic Books, $15.



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The Cashless Soceity. Robert A. Hendrickson. Dodd, Mead, $12.50. The rising credit card, and what it means to you. Hendrickson reaches too far in trying to link crime, international economy, and civil liberties. He never decides whether Big Brother or Santa Claus is a better sign of what's ahead. Still, a wealth of fascinating data here.

Child Care—Who Cares? Foreign and Domestic Infant and Early Childhood Development Policies. Pamela Roby, ed. Basic Books, $15.

The Coming Clash: The Impact of Multinational Corporations on National States. Hugh Stephenson. Saturday Review Press, $7.95.

The Company and the Union: The "Civilized Relationship" of the General Motors Corporation and the United Automobile Workers. William Serrin. Knopf, $7.95. An excerpt from this book appeared in the August issue of *The Washington Monthly*.

Drew Pearson: An Unauthorized Biography. Oliver Pilat. Harper's Magazine Press, $7.95.

Economics of the Environment: Selected Readings. Robert Dorfman and Nancy S. Dorfman. Norton, $10.

For the President—Personal and Secret: Correspondence Between Franklin D. Roosevelt and William C. Bullit. Orville H. Bullit, ed. Houghton Mifflin, $12.50. The world between the wars, as reported by America's first ambassador to Russia. Bullit's dispatches in the late thirties—mulling over a French-German compromise, ridiculing the British, doubting the Russians—reflect split American feelings about the war. FDR's replies are almost like form letters.

A Harsh and Dreadful Love: Dorothy Day and the Catholic Worker Movement. William D. Miller. Liveright, $8.95.

In Search of Roosevelt. Rexford G. Tugwell. Harvard, $12.95.

Inequality: A Reassessment of the Effect of the Family and Schooling in America. Christopher Jencks, et al. Basic Books, $12.50.

Justice in the Round. Reginald Major. Third Press. A reporter's account of Angela's trial.

Mafia, U. S. A. Nicholas Gage, ed. Playboy Press, $10.

Mr. Republican: A Biography of Robert A. Taft. James T. Patterson. Houghton Mifflin, $12.50. The most heart-breaking victims of politics are not those with moral birth defects—men born to do nothing but run for office—but the unstoppable campaigners who strip off dignity and belief when the race speeds up. This well-done biography of Taft shows that Hubert Humphrey was not the first man who didn't know when to quit.

NATO: The Dynamics of Alliance in the Postwar World. Edwin Fedder. Dodd, Mead.

The New School Executive: A Theory of Administration. Thomas J. Sergiovanni and Fred D. Carver. Dodd, Mead.

The Nuclear Power Rebellion: Citizens vs. the Atomic Industrial Establishment. Richard S. Lewis. Viking, $7.95.

One Man, One Vote: Baker v. Carr and the American Levelers. Gene S. Graham. Atlantic-Little, Brown, $8.95.

Pollution and Public Policy. David F. Paulsen and Robert B. Dengardt, eds. Dodd, Mead.

The Power in the People. Felix Morley. Nash, $10.

The Relevant Lawyers. Ann Fagan Ginger. Simon & Schuster, $8.95.

The Religious Experience of Revolutionaries. Eugene C. Bianchi. Doubleday, $6.95.

The Rise of Radicalism. Eugene H. Methuin, ed. Arlington House.

A Season in Jail and Other Conversations with Lee Lockwood. Daniel Berrigan. Random House, $7.95.

States of Ireland. Conor Cruise O'Brien. Pantheon, $6.95. Discussed by Suzannah Lessard in the October issue of *The Washington Monthly*.

Trial by Fury: The Polio Vaccine Controversy. Aaron E. Klein. Scribner's, $6.95. A reminder, as the nation tools up for an anti-cancer crusade, that the government can't order miracles the way it orders tanks. Klein warns that the foul-ups that accompany a big government push—laboratory feuds, public hysteria, inflated hopes—will come with the cancer campaign, but may be worth it.

Technological Shortcuts to Social Change. Amitai Etzioni and Richard Remp. Basic Books, $8.95.

Thirty Tons A Day. Bill Veek and Ed Linn. Viking, $8.95.

Victims of Groupthink: A Psychological Study of Foreign Policy Decisions and Fiascos. Irving L. Janis. Houghton Mifflin, $7.95.

Utopia or Oblivion. Buckminster Fuller. Overlook Press, $10. A re-issue of the 1969 book, whose ideas are no more conventional for the passage of years. Although it would offend Fuller's spontaneous-me spirit, some heavy copy-editing would make the book easier to understand: "The centuries' long only subconscious more-with-lessing is only now entering human consciousness as constituting a unified world revolution—as inexorable and transcendental to man's will as is an earthquake."

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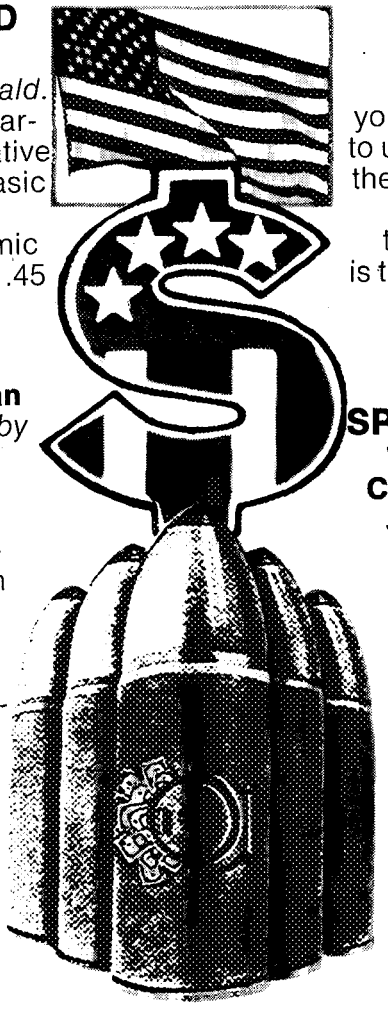

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